

## DOCKETED

<b>Docket Number:</b>	17-BUSMTG-01
<b>Project Title:</b>	2017 Business Meeting Transcripts
<b>TN #:</b>	220827
<b>Document Title:</b>	Transcript of the 08/09/2017 Business Meeting
<b>Description:</b>	N/A
<b>Filer:</b>	Cody Goldthrite
<b>Organization:</b>	California Energy Commission
<b>Submitter Role:</b>	Commission Staff
<b>Submission Date:</b>	8/18/2017 8:27:05 AM
<b>Docketed Date:</b>	8/18/2017



APPEARANCES

Commissioners

Robert Weisenmiller, Chair  
Karen Douglas  
Janea Scott  
David Hochschild  
Andrew McAllister

Staff Present:

Rob Oglesby, Executive Director  
Kourtney Vaccaro, Chief Counsel  
Alana Mathews, Public Advisor's Office  
Cody Goldthrite, Secretariat  
Eric Veerkamp, Compliance Office  
Lisa DeCarlo, Chief Counsel's Office  
Matt Chalmers, Chief Counsel's Office

	Agenda Item
Dale Rundquist	3
Kenneth Celli	4
Garry O'Neill-Mariscal	5
Patrick Saxton	6
Brad Williams	7
Karen Perrin	8a
Hassan Mohammed	8b
Gina Barkalow	9
Andrew Hom	10
Miki Crowell	11
Michael Sokol	12
Akua McLeod	12

Others Present (\* Via WebEx)

Interested Parties

Krishna Nand, Environmental Management Professionals, LLC	3
*Frank Messieno, Burbank Water & Power	3
Scott Galati, Galati & Blek, LLP for Palmdale Energy LLC	4
Tom Cameron, Palmdale Energy LLC	4

APPEARANCES (Cont.)

Others Present (\* Via WebEx)

Interested Parties

Yezin Taha, Nevados Engineering, Inc.	8b
William Skinner, Hitachi Zosen Inova, U.S.A.	9
Wayne Leighty, Shell New Energies	11

Public Comment (\* Via WebEx)

Claudia Fierro, Burbank Water & Power	3
Sarah Taheri, Southern California Public Power Authority	5
Justin Wynne, California Municipal Utilities Association	5
Susie Berlin, Northern California Power Agency	5
Andrew Martinez, California Air Resources Board	10
Gia Brazil Vacin, Governor's Office of Business and Economic Development, GO-Biz	10
*Matt McClory, Toyota Technical Center	10
*Matthew Forrest, Mercedes-Benz Research & Development North America	10
*Jennifer Hamilton, California Fuel Cell Partnership	11
*Stephen Ellis, American Honda Motor Co. Inc.	11

I N D E X

	Page
Proceedings	9
Items	
1. CONSENT CALENDAR	9
a. SUNFOLDING, INC.	
b. INTERRA ENERGY, INC.	
c. SIERRA INSTITUTE FOR COMMUNITY AND ENVIRONMENT	
d. REGENTS OF THE UNIVERSITY OF CALIFORNIA, IRVINE	
2. ENERGY COMMISSION COMMITTEE APPOINTMENTS	--
3. MAGNOLIA POWER PROJECT PETITION TO AMEND (01-AFC-06C)	9
4. PALMDALE ENERGY PROJECT PETITION TO AMEND (08-AFC-09C)	16
a. Consideration and possible approval of an order adopting the Presiding Member's Proposed Decision (PMPD) on the Petition to Amend the Palmdale Energy Project and errata. The Committee issued the PMPD on July 3, 2017. The Amended Palmdale Energy Project is a 645 megawatt power generation facility. The proposed project would be located at 950 East Avenue M in Palmdale, California.	
b. Possible closed session deliberation on the above described PMPD. [Government Code Section 11126(c)(3)]	
5. PROPOSED ADOPTION OF GUIDELINES FOR PUBLICLY OWNED UTILITY INTEGRATED RESOURCE PLANS	23

I N D E X (Cont.)

6.	APPLIANCE ENERGY EFFICIENCY REGULATIONS - AIR FILTER LABELING AND POOL PUMP MOTOR CONSTRUCTION TYPES	35
7.	NEWCOMB ANDERSON MCCORMICK, INC.	38
8.	FEDERAL COST SHARE UNDER THE ELECTRIC PROGRAM INVESTMENT CHARGE, PON-14-30829	41
	a. DOE-LAWRENCE BERKELEY NATIONAL LABORATORY	
	b. NEVADOS ENGINEERING, INC.	
9.	DEVELOPMENT, DEMONSTRATION AND DEPLOYMENT OF ENVIRONMENTALLY AND ECONOMICALLY SUSTAINABLE BIOMASS-TO ENERGY SYSTEMS FOR THE FOREST AND FOOD WASTE SECTOR, GFO-15-325	46
	a. HZIU KOMPOGAS SLO, INC	
	i. CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS	
	ii. Proposed resolution approving Agreement EPC-17-011 with HZIU Kompogas SLO, Inc.	
	b. REGENTS OF THE UNIVERSITY OF CALIFORNIA, DAVIS	
10.	LINDE LLC	54
11.	EQUILON ENTERPRISES LLC (DBA SHELL OIL PRODUCTS US)	62
	a. Proposed resolution approving Agreement ARV-17-001 for a \$2,337,500 grant to develop a hydrogen refueling station at 6141 Greenback Lane, Citrus Heights, CA 95621.	

I N D E X (Cont.)

11.	EQUILON ENTERPRISES LLC (Cont.)	62
	b.	Proposed resolution approving Agreement ARV-17-002 for a \$2,337,500 grant to develop a hydrogen refueling station at 3510 Fair Oaks Boulevard, Sacramento, CA 95864.
	c.	Proposed resolution approving Agreement ARV-17-003 for a \$2,337,500 grant to develop a hydrogen refueling station at 1250 University Avenue, Berkeley, CA 94702.
	d.	Proposed resolution approving Agreement ARV-17-004 for a \$2,337,500 grant to develop a hydrogen refueling station at 2900 N Main Street, Walnut Creek, CA 94597.
	e.	Proposed resolution approving Agreement ARV-17-005 for a \$2,337,500 grant to develop a hydrogen refueling station at 551 Third Street, San Francisco, CA 94107.
	f.	Proposed resolution approving Agreement ARV-17-006 for a \$2,337,500 grant to develop a hydrogen refueling station at 1201 Harrison Street, San Francisco, CA 94103.
	g.	Proposed resolution approving Agreement ARV-17-007 for a \$2,337,500 grant to develop a hydrogen refueling station at 3550 Mission Street, San Francisco, CA 94110.
12.	DISCUSSION OF ENERGY COMMISSION PROGRESS RE IMPLEMENTATION OF THE CLEAN ENERGY AND POLLUTION REDUCTION ACT OF 2015 (SB 350)	75
	a.	CLEAN ENERGY EQUITY INDICATORS FOR THE SB 350 LOW-INCOME BARRIERS STUDY, PART A
13.	Minutes	92
14.	Lead Commissioner or Presiding Member Reports	92

15. Chief Counsel's Report 103

- a. *In the Matter of U.S. Department of Energy (High Level Waste Repository)* (Atomic Safety Licensing Board, CAB-04, 63-001-HLW)
- b. *Energy Commission v. United States Department of Energy* (2nd Cir. Docket No. 17-1798).
- c. *Communities for a Better Environment and Center for Biological Diversity v. Energy Commission* (Court of Appeal, First Appellate District, #A141299)
- d. *Energy Commission v. SoloPower, Inc. and SPower, LLC.* (Sacramento County Superior Court #34-2013-00154569)
- e. *Energy Commission v. Electricore, Inc. and ZeroTruck* (Sacramento County Superior Court #34-2016-00204586)
- f. *Helping Hand Tools and Robert Simpson v. Energy Commission* (San Francisco Superior Court Case # CPF-17-515576)
- g. *Rosado v. Roman, et al.* (Federal District Court, Oregon District, #3:16-cv-00784-SI).

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

- a. Claims filed at, and rejected by, the Victim Compensation and Government Claims Board against a number of defendants including the Energy Commission relating to the gas leak at Aliso Canyon.

I N D E X (Cont.)

15.	Chief Counsel's Report (Cont.)	103
	b.	The U.S. Department of Energy's actions to delay effective dates and failures to complete certain energy conservation standards and test procedures for appliances.
	c.	The licensing process for a nuclear waste storage repository at Yucca Mountain, Nevada.
	d.	Alternative and Renewable Fuel and Vehicle Technology Program grant ARV-10-016 with the City of San Jose, including its subcontractor JUM Global, and the lawsuit between the two (5:16-cv-01462-HRL, United States District Court, Northern District of California [San Jose]).
16.	Executive Director's Report	103
17.	Public Adviser's Report	110
18.	Public Comment	111
	Closed Session	111
	Adjournment	112
	Reporter's Certificate	113
	Transcriber's Certificate	114

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

P R O C E E D I N G S

AUGUST 9, 2017 10:03 a.m.

CHAIRMAN WEISENMILLER: Good morning. Let's start with the Pledge of Allegiance.

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

Good morning. Item 2 will be held today.

I'm going to start with a minute of silence. Ron Kukulka died last Wednesday. Ron was one of the first heads of the Renewable or R&D Division, and was actually Laurie's mentor, so after 20-some years as an Energy Commission employee.

(Whereupon, a moment of silence is given.)

Yeah, family encourages people in lieu of flowers or anything to go out and do some energy conservation.

So let's go to the Consent Calendar.

COMMISSIONER MCALLISTER: Move consent.

COMMISSIONER SCOTT: Second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: Consent's been approved 5-0. Let's go on to Item 3.

MR. RUNDQUIST: Good morning Commissioners. My name is Dale Rundquist and I'm the Compliance Project Manager for the Magnolia Power Project. With me this

1 morning is Lisa DeCarlo, Senior Staff Counsel, and  
2 technical staff from Air Quality.

3 Present in the room and on the phone are  
4 representatives from Magnolia Power Project. Also on the  
5 phone are representatives for the South Coast Air Quality  
6 Management District.

7 Magnolia Power Project is a 323-megawatt, natural  
8 gas-fired combined-cycle electrical power generating  
9 facility, located at the site of the City of Burbank Power  
10 Plant in Burbank, California. The power plant is built on  
11 approximately three acres of the existing 23-acre site and  
12 is owned by Southern California Public Power Authority. It  
13 is operated by the City of Burbank Water & Power  
14 Department.

15 The Magnolia Power Project was certified by the  
16 Energy Commission in March 2003 and began operation in  
17 September 2005.

18 On June 10th, 2016 Southern California Public  
19 Power Authority filed a petition with the California Energy  
20 Commission requesting a modification to the startup and  
21 shutdown operation of the Magnolia Power Project, including  
22 an increase in start of duration, number of startups and  
23 shutdowns, and duct burner operation.

24 These changes would conform the decision to  
25 actual project operations and the recently revised permit

1 issued by the South Coast Air Quality Management District.  
2 The increase in monthly startups and shutdowns is likely  
3 the result of integration of intermittent renewable  
4 resources, including solar and wind.

5 The proposed amendment results in emission  
6 increases for oxides of nitrogen, carbon monoxide and  
7 volatile organic compounds. The proposed amendment also  
8 results in emission decreases for oxides of sulfate and  
9 particulate matter of ten microns or less in diameter.

10 The requested changes related to the Title V  
11 amendments have already been analyzed the South Coast Air  
12 Quality Management District staff. And the Title V Permit  
13 incorporating the current changes has been issued.

14 According to staff analysis, mitigation of five  
15 pounds per day of volatile organic compounds would be  
16 required for the amendment per South Coast Air Quality  
17 Management District rules and regulations.

18 Southern California Public Power Authority  
19 surrendered the volatile organic compound mitigation in the  
20 form of emission reduction credits to the South Coast Air  
21 Quality Management District. Mitigation for oxides of  
22 nitrogen was accomplished through reclaimed credits.

23 Staff reviewed the petition and assessed the  
24 impacts of this proposal on environmental quality and on  
25 public health and safety. Staff proposes revising all air

1 quality conditions and certifications except for AQ-35, AQ-  
2 38 and AQ-39. AQ 33 will be deleted and staff is adding  
3 New Condition, AQ-40.

4           It is staff's opinion that with the  
5 implementation of these revised, deleted and new conditions  
6 and errata, that facility would remain in compliance with  
7 applicable laws, ordinances, regulations and standards.  
8 It is also staff's opinion that with the proposed changes  
9 to Conditions of Certification would not result in any  
10 significant, adverse, direct, indirect or cumulative  
11 impacts to the environment.

12           The staff analysis was mailed, docketed and  
13 posted to the Energy Commission website on June 16th, 2017,  
14 for a 30-day comment period. The Project Owner commented  
15 within the 30-day period. The comments were addressed by  
16 staff, agreed to by the Project Owner and errata were  
17 docketed to the project website on July 26th, 2017.

18           Energy Commission staff reviewed the petition and  
19 finds that it complies with the requirements of Title 20,  
20 Section 1769(a), of the California Code of Regulations and  
21 recommends approval of this petition to amend and the  
22 changes to the project's Conditions of Certification as  
23 reflected in the staff analysis on Petition to Amend and  
24 the subsequent errata.

25           Thank you.

1 CHAIRMAN WEISENMILLER: Thank you.

2 Applicant?

3 MR. NAND: My name is Krishna Nand.

4 CHAIRMAN WEISENMILLER: Please, push the green  
5 button.

6 MR. NAND: Oh, sorry. My name is Krishna Nand.

7 I work with the Environmental Management Professionals and  
8 I am the Consultant for City of Burbank, which is operating  
9 the Magnolia Power Project.

10 And we have worked with the California Energy  
11 Commission for about a year. And I have worked with the  
12 California Energy Commission for other projects for a long  
13 time -- 15, 16 years -- but this has been our best  
14 experience. And the Air Quality person, in fact, she  
15 interacted with the South Coast AQMD and us and we have  
16 resolved all the issues in the comments. And we are very  
17 satisfied, very happy what we have. And we hope to  
18 continue this kind of relationship in the future working  
19 with the Magnolia Power Project.

20 CHAIRMAN WEISENMILLER: Thank you. First, anyone  
21 have any comments in the room?

22 (No audible response.)

23 CHAIRMAN WEISENMILLER: Then let's go to on the  
24 line.

25 MR. GOLDTHRITE: It dropped.

1 CHAIRMAN WEISENMILLER: It dropped? I was going  
2 to say I think we have -- trying to get him back -- we may  
3 have someone actually, from Burbank Power & Water, Frank  
4 Messineo.

5 (Audio issues handled.)

6 CHAIRMAN WEISENMILLER: I think we'll have to  
7 move on and we'll see -- why don't we transition over to  
8 the Commissioners?

9 (No audible response.)

10 CHAIRMAN WEISENMILLER: One more chance.

11 MS. VACCARO: We just asked that the Public  
12 Adviser's Office assist with getting the caller back on the  
13 line, if they can.

14 CHAIRMAN WEISENMILLER: Okay, that would be  
15 great. That would be certainly very good.

16 If either of you have his direct connection could  
17 you give him a call or help?

18 MS. FIERRO: For Frank Messineo?

19 CHAIRMAN WEISENMILLER: Yes.

20 MS. FIERRO: I can put him on the cell phone.  
21 But I'm the Environmental Manager for Burbank Water & Power  
22 and I can --

23 CHAIRMAN WEISENMILLER: I just wanted to give him  
24 an opportunity to speak.

25 MS. FIERRO: Okay, sure.

1 CHAIRMAN WEISENMILLER: And so, if you could help  
2 us connect with him?

3 MR. MESSIENO: Hello, this is is Frank Messieno  
4 with Burbank Water --

5 MS. FIERRO: Hi Frank, this is Claudia.

6 (Audio cuts out.)

7 UNIDENTIFIED SPEAKER: Turn on your mic.

8 MR. MESSINEO: (Indiscernible) This is Frank  
9 Messineo with Burbank Water & Power. I'm the Power  
10 Production Manager. I've also got Sean Kigerl with me,  
11 who's our Environmental Engineer. And I believe Dale  
12 touched a bit upon this, but our involvement in seeking  
13 this was essentially driven by reliability concerns and  
14 renewables. So, we're just seeking a bit more flexibility.  
15 And I believe that Krishna also mentioned that we believe  
16 we've addressed all comments and concerns on this.

17 I do not have any other further comments.

18 CHAIRMAN WEISENMILLER: Okay, thank you.

19 So let's make sure -- yeah, give you a chance to  
20 make sure you're coming forward, you know, (indiscernible)  
21 IT issues later.

22 Commissioners, I think -- and I see there's no  
23 one else on the line who has public comment on this case?

24 (No audible response.)

25 CHAIRMAN WEISENMILLER: Okay, so let's transition

15

1 to the Commissioners now.

2 COMMISSIONER DOUGLAS: All right. Well, I will  
3 just briefly say that we may see more amendments in the  
4 future like this. This is really triggered by real-world  
5 conditions leading to power plants being operated  
6 differently than we thought they'd be operated, back when  
7 we wrote the conditions. And it has a lot to do with power  
8 plants playing a greater role in integrating renewables and  
9 therefore, needing to be operated with more starts and  
10 stops and that sort of thing.

11 The staff's done a thorough job. They've worked  
12 very closely with both the South Coast Air Quality  
13 Management District and the Applicant here today. So if  
14 there are no other comments I'll move approval of this  
15 item.

16 COMMISSIONER SCOTT: Second.

17 CHAIRMAN WEISENMILLER: All in favor?

18 (Ayes.)

19 CHAIRMAN WEISENMILLER: This passes 5-0. Thank  
20 you. Thanks. Thanks for being here.

21 Let's go on to Item Number 4, Palmdale Energy  
22 Project. There you go.

23 MR. CELLI: Good morning Chairman Weisenmiller  
24 and Commissioners. Kenneth Celli, C-e-l-l-i, appearing on  
25 behalf of the Palmdale Energy Project Amendment Committee.

16

1 Commissioner Douglas is the Presiding Member and  
2 Commissioner Scott is the Associate Member of the  
3 Committee.

4           The Presiding Member's Proposed Decision -- or  
5 PMPD, as I will refer to it today - reflects the  
6 Committee's careful consideration of all evidence submitted  
7 by the parties as well as any public comments received.  
8 The PMPD recommends that the Commission grant the  
9 amendment, because the Palmdale Energy Project is  
10 consistent with laws, ordinances, regulations and  
11 standards. And pursuant to the California Environmental  
12 Quality Act, will have no significant adverse effects on  
13 the environment.

14           The Palmdale Energy Project petition proposes to  
15 change the approved Palmdale Hybrid Power Project from a  
16 570-megawatt hybrid combined cycle and solar trough power  
17 plant to a natural gas-fired 645-megawatt combined cycle  
18 power plant.

19           Specifically, the petition proposes to reduce the  
20 project site from 330 acres to 50 acres by eliminating the  
21 solar component, replacing wet cooling with an air-cooled  
22 condenser and replacing the combustion turbine technology  
23 with fast-start flexible technology. The petitioner also  
24 requested that the project name be changed from the  
25 Palmdale Hybrid Power Project to the Palmdale Energy

1 Project.

2           The Palmdale Energy Project will be located  
3 within the licensed, but undeveloped Palmdale Hybrid Power  
4 Project site, located at 950 East Avenue M, in Palmdale,  
5 California. The Palmdale Energy Project will be  
6 constructed in an industrial area of the city. An  
7 additional 20-acre portion of land located adjacent and  
8 north of the project site will be used for construction,  
9 laydown and parking.

10           No changes to offsite transmission lines or gas  
11 lines will be needed for the Palmdale Energy Project  
12 amendment, except for three additional 230 kV transmission  
13 line towers along the south side of East Avenue M, just  
14 north of the project site and an extension of the gen tie-  
15 line to the west, approximately 1800 feet along the south  
16 side of East Avenue M.

17           The amended project reduces the length of the  
18 approved project's sewer pipeline, which will now air-  
19 connect with an existing Palmdale city sewer pipeline along  
20 the south side of East Avenue M.

21           The amended project will reduce water usage from  
22 approximately 3725 acre-feet to a maximum of about 400  
23 acre-feet.

24           The Committee conducted an Evidentiary Hearing on  
25 March 22nd, 2017, at the Palmdale City Hall. The city of

1 Lancaster had filed a petition to intervene, which was  
2 granted on September 14<sup>th</sup>, 2015. And on February 19<sup>th</sup>, 2016,  
3 Lancaster withdrew as an intervener. So, the only parties  
4 to this amendment are petitioner and staff.

5 As usual, the public was presented a full  
6 opportunity to participate at every stage of these  
7 proceedings. The Committee received comments from the  
8 petitioner and staff on the PMPD, but received no comments  
9 from any public agency or any member of the public. The  
10 PMPD, including the errata, considered and addressed all  
11 timely filed public comments.

12 The Committee recommends that the Commission  
13 adopt the PMPD on the Palmdale Energy Project amendment,  
14 along with the Committee errata, which was docketed on  
15 August 3<sup>rd</sup>, 2017, and is part of your background materials.  
16 The errata incorporates the parties' comments on the PMPD  
17 and includes clarifications for the record.

18 With that, the matter is submitted. I am happy  
19 to answer any questions on procedural issues or on the  
20 PMPD. Otherwise, the parties are here to address the  
21 Commission on the particulars of the project.

22 CHAIRMAN WEISENMILLER: Great. Let's start with  
23 the Applicant.

24 MR. GALATI: Scott Galati, representing the  
25 Palmdale Energy LLC. And on the phone today is Tom Cameron

1 the Project Principle from Palmdale Energy LLC.

2 We'd like to thank the Energy Commission and  
3 thank staff, specifically, Mr. Veerkamp and Ms. DeCarlo,  
4 for working very cooperatively with us. I think that that  
5 kind of cooperation allows us to come to the Committee as  
6 we did with no disputes at Evidentiary Hearing. We support  
7 the adoption of the PMPD with the errata. Thank you very  
8 much for the Committee for listening to our concerns. And  
9 I think those revisions are helpful to us.

10 So at this time we would just ask you to please  
11 approve the PMPD and the errata.

12 CHAIRMAN WEISENMILLER: From our staff?

13 MR. VEERKAMP: Good morning. My name is Eric  
14 Veerkamp, the Project Manager for the Palmdale Energy  
15 Project. We do have Lisa DeCarlo with the Chief Counsel's  
16 Office and staff, our representatives, from both  
17 Environmental and Engineering Units here.

18 Staff has reviewed the PMPD and the comments  
19 submitted by the Project Owner on the PMPD. Staff  
20 submitted our comments on July 20, 2017. And we reviewed  
21 the errata and the proposed corrections to the PMPD, dated  
22 August 3rd, 2017. We do support adoption of the  
23 Commission-found decision for the Palmdale Energy Project  
24 and we're available to answer any questions the  
25 Commissioners may have staff's analysis for the project.

1 CHAIRMAN WEISENMILLER: Thank you.

2 Are there any public comments from anyone in the  
3 room on this project?

4 (No audible response.)

5 Are there any quick comments from anyone on the  
6 phone?

7 (No audible response.)

8 Then let's transition over to the Commissioners.

9 COMMISSIONER DOUGLAS: You know, I'll say briefly  
10 -- and I know Ken went over the procedural history on this  
11 project quickly -- but it's been before us in one form or  
12 another for many years now. And this amendment makes the  
13 project certainly use less water; it makes the footprint  
14 smaller. It's a combined cycle, which, given the way our  
15 market is going, we'll see what the market is on combined  
16 cycles and on this kind of design. But the project  
17 certainly meets the environmental review standards we  
18 applied to it.

19 And it, at times, particularly when the city of  
20 Lancaster was a party, there was public interest and  
21 involvement. There were times, especially when there was  
22 this solar element of the project, that that brought in  
23 interveners focused on the biological impacts in particular  
24 of the project. But this iteration of the project has seen  
25 remarkably little dispute from -- there were many technical

1 issues that needed to be reviewed and resolved. And  
2 probably toughest among them, water use still, given the  
3 region where the project's located. And but really, in  
4 this iteration of the project we really didn't see the  
5 interveners. While of course we held events in the local  
6 area and Noticed them and so on, not really the level of  
7 engagement that we see in some areas. This was a pretty  
8 low controversy case, I would say.

9           It passed our environmental scrutiny. And I  
10 recommend it for the Commission's approval. I think  
11 Commissioner Scott may wish to add some comments.

12           COMMISSIONER SCOTT: I actually don't have much  
13 to add to that summary. Good summary.

14           COMMISSIONER DOUGLAS: Other Commission questions  
15 or comments?

16           (No audible response.)

17           Okay, well in that case I'll thank the parties  
18 and Hearing Officer. And move approval of the PMPD, with  
19 the Errata.

20           CHAIRMAN WEISENMILLER: All those in favor?

21           (Ayes.)

22           COMMISSIONER SCOTT: Want a second?

23           COMMISSIONER MCALLISTER: Need a second?

24           Whatever, I'll second it.

25           CHAIRMAN WEISENMILLER: Okay, now all those in

1 favor?

2 (Ayes.)

3 CHAIRMAN WEISENMILLER: This item passed 5-0.

4 Thank you.

5 Let's go on to Item 5, Proposed Adoption of  
6 Guidelines for POU IRPs.

7 MR. O'NEILL-MARISCAL: Good morning Chair,  
8 Commissioners. My name is Garry O'Neill-Mariscal, with the  
9 California Energy Commission's Energy Assessments Division.  
10 Today I am proposing adoption of Publicly Owned Utilities  
11 Integrated Resource Plan Submission and Review Guidelines.

12 Currently most, if not all, POU's conduct some  
13 sort of long-term planning exercise to address long-term  
14 energy and capacity needs as well as plan for any needed  
15 infrastructure improvements. The complexity and frequency  
16 of these updates vary by utility.

17 The Clean Energy and Pollution Reduction Act of  
18 2015, otherwise known as SB 350, changes the status quo by  
19 requiring Publicly Owned Utilities with an annual  
20 electricity demand exceeding 700 gigawatt hours, to adopt  
21 Integrated Resource Plans. SB 350 also requires that these  
22 plans achieve long-term policy goals and address  
23 procurement for preferred resources.

24 SB 350 also requires the Energy Commission to  
25 review these POU IRPs for consistency with the goals and

1 targets codified by Public Utilities Code 9621. If any  
2 deficiencies are found, the Energy Commission may recommend  
3 corrections.

4 SB 350 also added PUC Section 9622, giving the  
5 Energy Commission authority to adopt these guidelines to  
6 govern the collection of data, information needed to review  
7 POU IRPs.

8 POU IRPs adopted under SB 350 are required by law  
9 to achieve utility-specific targets for reducing greenhouse  
10 gas emissions, which are to be established by the Air  
11 Resources Board. They also required to procure renewable-  
12 energy generation, with at least 50 percent of retail sales  
13 met with renewables in 2030.

14 They are also required to achieve other goals and  
15 targets as outlined on this slide, which I will not read  
16 through, as applicable to the POUs.

17 The guidelines before you today were developed --  
18 oh, I'm sorry -- IRPs must also address procurement of  
19 preferred resources, energy storage and transportation  
20 electrification programs while demonstrating that the IRPs  
21 portfolio meets reliability criteria, is diversified and  
22 minimizes local pollution with a priority on disadvantaged  
23 communities.

24 The Energy Commission's analysis has shown that  
25 there are 16 POUs that meet the threshold for the

1 requirement to prepare and submit an IRP. These 16  
2 represent roughly 95 percent of the total POU retail sales  
3 of the POU's within California.

4           These guidelines before you today were developed  
5 through a public process which included six workshops and  
6 two webinars. Stakeholders were very engaged and responsive  
7 to staff proposals and questions. This process highlighted  
8 that there were a few principles, which were embraced by  
9 staff in developing the guidelines before you today.

10           Under SB 350, the POU's retained the authority to  
11 define the process, frequency and assumptions used to  
12 produce and develop IRPs and achieve the goals and targets  
13 required by PUC Section 9621. Although these plans must  
14 achieve a set of procurement requirements, the IRPs are  
15 multifaceted planning tools that provide policy makers with  
16 information and data on future procurement decisions. IRPs  
17 do not define actual procurement decisions and are not  
18 compliance filings.

19           SB 350 also adds planning requirements that may  
20 be new to some utilities as well as requiring the planning  
21 process occurs at least once every five years. Also new is  
22 that POU's must submit these IRPs to the Energy Commission  
23 for review.

24           Also through a public process, the scope of the  
25 guidelines was refined to specify that the data and

1 information needed by the Energy Commission to review POU  
2 IRPs for consistency with PUC Section 9621, recommendations  
3 for additional analysis that the POU's may consider  
4 including within their processes and the Energy  
5 Commission's process for reviewing IRPs.

6 Under SB 350, POU's are required to adopt IRPs and  
7 a process for updating these planning documents by January  
8 1st, 2019 and submit their IRPs to the Energy Commission.  
9 The guidelines require that IRPs, data and any required  
10 supporting documents also be submitted to the Energy  
11 Commission by April 30th, 2019, coinciding with other IEPR  
12 data collection activities.

13 The guidelines also provide standardized tables  
14 to streamline the data collection process. The guidelines  
15 provide a process to review for consistency with PUC  
16 Section 9621 and work with the utilities if, at any point  
17 the filing is found to be incomplete or data or other  
18 information missing.

19 Following the review of IRPs, staff will bring a  
20 recommendation to the Energy Commission to adopt staff  
21 findings as well as recommendations to correct any  
22 deficiencies. As part of the filing to the Energy  
23 Commission, the guidelines identify the following on this  
24 slide as general filing requirements to allow a complete  
25 review of IRPs.

1           To allow the review of these IRPs, the planning  
2 goals and the RPS and greenhouse gas emissions reductions,  
3 IRPs must be conducted over a minimum planning horizon of  
4 January 1st, 2019, through December 31st, 2030.

5           Utilities are encouraged to study multiple  
6 scenarios and plan for multiple contingencies and test the  
7 sensitivity of specific options. However, only one  
8 scenario is required to be submitted to the Energy  
9 Commission for review, and that scenario must achieve all  
10 of the goals and targets specified in PUC 9621.

11           For each scenario that the utility includes in  
12 their IRP submission to the Energy Commission, POUs must  
13 report on annual energy demand, forecasting assumptions,  
14 provide a narrative of a discussion of the required topics,  
15 including procurement that was addressed even if the  
16 procurement was not ultimately included in the IRP  
17 portfolio, annual energy and capacity accounting, RPS  
18 procurement accounting and greenhouse gas emissions of the  
19 portfolio.

20           I would like to thank everyone with who helped  
21 with their efforts guide the AD with development of this  
22 product. Particular staff contributions are listed on the  
23 slide. I would also like to thank stakeholders and utility  
24 representatives and other members of the public that have  
25 engaged staff on this project. Their contributions

1 ultimately improved the product that is before you today.

2           And with that I would just want to thank you for  
3 your time. If there's any questions, I may answer.

4           CHAIRMAN WEISENMILLER: Thank you.

5           Let's get public comment first. And then we'll  
6 talk about -- get the questions. Let's start with SCPPA,  
7 Sarah.

8           MS. TAHERI: Sorry. Good morning Chairman and  
9 Commissioners. Sarah Taheri with the Southern California  
10 Public Power Authority. I just wanted to stand up today  
11 and thank staff for all of the hard work that's gone into  
12 this guideline development. It's been a long process with  
13 a lot of robust stakeholder discussion and transparent  
14 public meetings. And we certainly appreciate that, as  
15 shown through the extensive comments that we've filed  
16 throughout this process. But we really do appreciate  
17 staffs' work on this and look forward to continuing to  
18 engage.

19           We think that the document that you have before  
20 you today perfectly reflects what's required by statute.  
21 As we go forward with implementation if it's determined  
22 that there are technical fixes that need to be addressed in  
23 the guidelines we look forward to engaging again with the  
24 Commission in a public process.

25           Thank you.

1           CHAIRMAN WEISENMILLER: Thank you. And of course  
2 I would note if the Legislature does amendments in this  
3 area this year then we will have to revise the guidelines  
4 next year.

5           CMUA or yeah CMUA, Justin?

6           MR. WYNNE: Good morning. Thank you for the  
7 opportunity to speak. My name is Justin Wynne, I'm here on  
8 behalf of the California Municipal Utilities Association.  
9 And CMUA strongly supports these guidelines and we urge the  
10 Commission to adopt this item.

11           As SCPPA mentioned, these guidelines were  
12 developed in an open and robust process. And the result is  
13 that the guidelines, they are very consistent with the  
14 direction of SB 350, but they also respect the authority of  
15 the local POU Governing Boards.

16           We also want to thank staff for their hard work  
17 in this effort. I think they did a really good job of  
18 engaging with the POUs. And also, we felt like our  
19 concerns were thoroughly considered.

20           And also, as SCPPA mentioned, I think as we move  
21 through this process it's very complex, it's very new, and  
22 so we may need to make adjustments to these guidelines as  
23 we learn from this process; particularly as we go through  
24 the first round of IRPs and if the Legislature might be  
25 changed.

1           So, we look forward to working with the  
2 Commission and with staff as we develop these IRPs and  
3 implement these guidelines.

4           CHAIR WEISENMILLER: Great. Thank you.

5           Anyone else in the room?

6           (No audible response.)

7           Then let's turn to the telephones and Susie  
8 Berlin, from NCPA.

9           MS. BERLIN: Hello?

10          CHAIRMAN WEISENMILLER: Please. Yes, we can hear  
11 you.

12          MS. BERLIN: Okay, great. Good morning, thank  
13 you. This is Susie Berlin on behalf of the Northern  
14 California Power Agency. And NCPA urges the Commission to  
15 approve the guidelines for the POU IRPs. We concur with  
16 the statements that you heard from Ms. Taheri and Mr. Wynne  
17 on behalf of SCPPA and CMUA. We really appreciate the  
18 process that staff engaged in to get us to this point.

19          The guidelines reflect a culmination of a public  
20 process with Commission staff, stakeholders, and it also  
21 included NCPA and a number of the -- and all of the POU's in  
22 the effort. And that helped to ensure that the guidelines  
23 appropriately reflect the scope of the Commission's  
24 authority to review the POU IRPs for consistency with  
25 Public Utilities Code Section 9621. NCPA believes that the

1 guidelines as presented today appropriately reflect that  
2 role.

3           The IRPs submitted to the CEC for review under  
4 Section 9622 will not be the first IRPs that the POU's  
5 prepare, but it will be the first that they prepare under  
6 the new statutory direction. And as the Commission staff  
7 engages in that initial review we think it will likely lead  
8 to discovery of areas in the guidelines that will need to  
9 be revised or refined for practical implementation  
10 purposes. And NCPA urges the Commission to remain open to  
11 those revisions and to continue to work with the POU's and  
12 other stakeholders on necessary changes, including any  
13 statutory requirements that may come up.

14           NCPA also urges the Commission to the extent  
15 possible to encourage public participation in the  
16 development of the POU IRPs at the local level, rather than  
17 solely as the timely IRP is completed and submitted to the  
18 Commission for review. I think this is very important,  
19 participation is part of the POU's IRP process. It's where  
20 the feedback provided can help inform the POU's Integrated  
21 Resource Plan as it is being developed and the decisions  
22 that are made at the local level. And as such, it is at  
23 the local level where stakeholder input best serve the  
24 objectives of the state as defined by SB 350.

25           So again, NCPA very much appreciates staff's

1 efforts and the Commission's work on this and at the  
2 opportunity to provide these comments. And we urge the  
3 Commission to approve the guidelines before you today.  
4 Thank you.

5 CHAIR WEISENMILLER: Thank you. Is there any  
6 other public comment from anyone on the phone?

7 (No audible response.)

8 Okay, then let's transition over to the  
9 Commissioners.

10 Obviously, this was a first-time effort for us  
11 where we are -- it took basically almost everyone on the  
12 dais involved in this, since it was certainly cutting  
13 across various silos in integrating things together. I  
14 certainly appreciate all the leadership. I'll go through a  
15 broader list of names after a vote, assuming we adopt this.  
16 But again, I think it was a sign of how well we can all  
17 work together to -- and again, address what was in the  
18 legislation. Obviously, there were times we would have  
19 liked a little bit more, but we certainly respected the  
20 legislative direction in this area.

21 It's really critical, going forward, on the IRP  
22 part to as we go forward, to really address the challenges  
23 of climate change. I think that's probably reflected again  
24 today in the federal study. And certainly, reducing  
25 greenhouse gas emissions is a key part of that.

1           COMMISSIONER SCOTT: I would just agree with all  
2 of what you have just said and also note that the  
3 transportation electrification component of this is very  
4 short. It's just about a page and a half or so in there.  
5 But we had two terrific IEPR workshops. I want to thank  
6 Noel Crisostomo and Tim Olson for putting those together,  
7 where we had a chance to really dig into the light-duty  
8 side. And then the second workshop we dug into the medium-  
9 duty and heavy-duty side. And there is a lot of great  
10 foundational work there.

11           I really want to appreciate the great partnership  
12 with the POU's and our staff and the stakeholders for the  
13 thoughtful engagement on that. I think we've got a lot of  
14 great information there from those workshops that we can  
15 all continue to partner on and work together. So I'm very  
16 excited about these guidelines. I think the team has done  
17 a great job putting them together.

18           COMMISSIONER MCALLISTER: Yeah, just it is pretty  
19 high-level. And I think that's a result of the  
20 conversation and sort of the acknowledgement; that balance  
21 between the intent and the local authority. But it also  
22 is, I think clear and very -- it's concise, compact, but  
23 without sort of losing the meat of the matter.

24           And I'm very happy that these various issues that  
25 have broken out: transportation being one, fuel switching

1 being another one that's pretty difficult and I think maybe  
2 that might be a place where some technical evolution  
3 happens. Certainly, efficiency and demand response,  
4 thermal storage is in there. And I also appreciate the  
5 low-income focus. So I think all of those issues are very  
6 meaty, but the guidelines are at the right level to attack  
7 them in the right way.

8 So a nice job on this to the staff. And also  
9 appreciate the Chair's leadership on this issue.

10 COMMISSIONER HOCHSCHILD: Yeah, I concur with  
11 everything that's been said. And I would just point out  
12 that it's been a very full legislative session already with  
13 the \$52 billion gas tax being done, Cap and Trade station,  
14 (phonetic) there's at least some big pending legislation  
15 that could cause this to be updated. But I'm in full  
16 support and want to thank everyone for moving this along,  
17 particularly the staff who led this.

18 Do you need a motion in support? Yeah, I'd move  
19 the item.

20 COMMISSIONER MCALLISTER: I'll second.

21 CHAIRMAN WEISENMILLER: All those in favor?

22 (Ayes.)

23 This passes 5-0.

24 And I wanted to thank, first of all certainly the  
25 IRP leadership of Mike Sokol. And, you know, again on the

1 350 implementation that's been critical, this is obviously  
2 a key part of that. Obviously Rob and Sylvia have both  
3 been part of the IRP leadership on this; certainly, the key  
4 authors. Garry O'Neill, David Vidaver, Melissa Jones, Paul  
5 Deaver and Robert Kennedy have all worked through the line-  
6 by-line let's get this right.

7           And in terms on the legal side, Jana Romero,  
8 Galen Lemei, Kourtney have all been key players in making  
9 sure we did this right. As it certainly -- along with  
10 Commissioner Scott's leadership Matt Coldwell, Noel -- as  
11 you said, in terms of critical. Certainly, in the energy  
12 efficiency side along with Commissioner McAllister, Bryan  
13 Early and Martha Brooks are important. And in the  
14 renewable side along Commissioner Hochschild, Courtney  
15 Smith and Emily Lemei have all done really good jobs.

16           So again this is obviously the start. In many  
17 respects it's the first step in the IRP process, but I  
18 think we're on solid footing. So thanks.

19           Let's go on to Item 6.

20           MR. SAXTON: Good morning Chair and  
21 Commissioners. My name is Patrick Saxton and I'm an  
22 Engineer in the Appliances and Outreach and Education  
23 Office in the Commission's Efficiency Division. With me is  
24 Matt Chalmers from the Chief Counsel's Office.

25           Staff is proposing the adoption of a resolution

35

1 encompassing two items related to amending the California  
2 Appliance Efficiency Regulations. The two items are one, a  
3 finding that the proposed regulations for residential air  
4 filters and permanent magnet synchronous motors are exempt  
5 under the California Environmental Quality Act.

6           And two, proposed express terms that a) delay the  
7 compliance date by when residential air filters that are  
8 sold or offered for sale in the state of California must  
9 comply with the Appliance Efficiency Regulations from July  
10 1st, 2016 to April 1st, 2019 and b) add permanent magnet  
11 synchronous to the permissible list of motor construction  
12 types for residential pool pump motors and define permanent  
13 magnet synchronous.

14           The changes proposed for residential air filters  
15 will allow staff sufficient time to propose changes to the  
16 testing and reporting requirements and to address concerns  
17 raised by manufacturers about insufficient specificity  
18 regarding the types of air filters to be tested.

19           The separate process began with the July 18th  
20 publication of a draft staff report and an August 3rd staff  
21 workshop.

22           The changes proposed for permanent magnet  
23 synchronous motors will allow certification and sale of  
24 this motor construction type typically used in above-ground  
25 pools and where the motors otherwise complied with the

1 underlying substantive efficiency requirements.

2           The proposed changes are nearly identical to  
3 those approved by the Commission as emergency regulations  
4 on March 8th, 2017. Adopting the proposed changes today is  
5 part of the process to certify and adopt the emergency  
6 regulations on a permanent basis, pursuant to Government  
7 Code Section 11346.1(e). This process will be completed  
8 prior to the expiration of the emergency regulations on  
9 September 26th, 2017.

10           The 45-day long public comment period for these  
11 proposed changes ran from June 16th to July 31st. No  
12 public comments were received.

13           Staff asks that the Commission adopt the  
14 resolution before them to amend the California Appliance  
15 Efficiency Regulations. Matt and I are available for any  
16 questions. Thank you.

17           CHAIR WEISENMILLER: Thank you.

18           First, let's start with are there any public  
19 comments from anyone in the room?

20           (No audible response.)

21           How about anyone on the phone?

22           (No audible response.)

23           So let's transition -- no calls, no. Let's  
24 transition over to the Commissioners. Commissioner  
25 McAllister?

1           COMMISSIONER MCALLISTER:  Yeah, thanks very much  
2 Patrick.  I really appreciate that.

3           So these are relatively administrative items I  
4 would just qualify them as, or characterize them as.  And I  
5 don't really have anything substantive to add to Patrick's  
6 summary.  Two different things:  One, just giving us more  
7 time to finish the work on filters and then basically  
8 finalizing the pool pumps conversation.  So those two  
9 things are necessary and just kind of to keep us moving  
10 forward.

11           So I don't know if there any other comments?  No,  
12 so I'll move this item.

13           COMMISSIONER SCOTT:  Second.

14           CHAIRMAN WEISENMILLER:  All those in favor?

15           (Ayes.)

16           This passes 5-0.  Thank you.

17           MR. SAXTON:  Thank you.

18           CHAIRMAN WEISENMILLER:  Let's go on to Item 7.

19           MR. WILLIAMS:  I need one of those.

20           Good morning Chair and Commissioners.  My name is  
21 Brad Williams of the Energy Efficiency Research Office.  
22 Staff is recommending approval for this grant agreement  
23 that was the result of the competitive solicitation GFO  
24 16304 for emerging energy-efficient technology  
25 demonstrations.

1           The purpose of this solicitation is to accelerate  
2 market adoption of pre-commercial technologies by  
3 demonstrating them at large scale. In addition, the  
4 projects must demonstrate a reduction of building energy  
5 use by 20 percent.

6           In this project, titled "Advance Plug Loads,  
7 Controls and Management in the Educational Environment,"  
8 55,000 plug load monitoring and control devices will be  
9 installed at computer workstations at 35 campuses. These  
10 devices apply an internet of things -- principles by  
11 implementing low-cost sensors on every plug load device.  
12 This will allow building owners to obtain real-time data  
13 and analytics on plug load equipment and apply control  
14 strategies to reduce the plug load energy use.

15           The successful demonstration of these devices  
16 will reduce energy use and costs savings to the  
17 participating community college districts. And will  
18 continue to provide savings throughout their eight to ten  
19 years of expected useful life.

20           A conservative estimate of savings to the  
21 participating California community college districts is  
22 \$850,000 per year in immediate and ongoing annual savings.

23           Successful deployment at participating districts  
24 will then be leveraged to expand load management system  
25 adoption throughout the remainder of the community

1 colleges.

2 Thank you. And I'm happy to answer any  
3 questions.

4 CHAIRMAN WEISENMILLER: Thank you.

5 Let's start with are there any public comments  
6 from anyone in the room or how about anyone on the  
7 telephone?

8 (No audible response.)

9 Okay. Then again I'll transition to Commissioner  
10 McAllister.

11 (Colloquy off mic.)

12 COMMISSIONER MCALLISTER: Yeah, so this is a  
13 beautiful project, because not only does it save energy,  
14 but it's actually research we're going to learn from. So  
15 we're going to be better the next time. So not only it's  
16 cost-effective in and of itself, but also if you do the  
17 numbers then the community colleges are going to benefit  
18 from that. But then we're also creating knowledge, so I'm  
19 enthusiastic as you can tell.

20 CHAIRMAN WEISENMILLER: Well, that's good.  
21 That's good. As the head of the research effort I'm glad  
22 that my fellow Commissioners --

23 COMMISSIONER MCALLISTER: Research in action,  
24 right?

25 CHAIRMAN WEISENMILLER: Research in action is

1 very good.

2 COMMISSIONER MCALLISTER: So I'll move this item.

3 COMMISSIONER SCOTT: Second.

4 CHAIRMAN WEISENMILLER: All those in favor?

5 (Ayes.)

6 CHAIRMAN WEISENMILLER: This passes 5-0. Thank  
7 you.

8 MR. WILLIAMS: Thank you.

9 CHAIRMAN WEISENMILLER: Let's go on to 8, Federal  
10 Cost Share Under EPIC. Yes.

11 MS. PERRIN: Good morning, Commissioners. I'm  
12 Karen Perrin with the Energy Efficiency Research Office.  
13 I'll be presenting Item 8a. But first some background  
14 that's relevant to both Items a and b. Both of these grant  
15 agreements came from a competitive solicitation, 14308.  
16 It's an ongoing solicitation under the electric program,  
17 Investment Charge, released in 2014.

18 The purpose of the solicitation is to provide  
19 Energy Commission Cost Share Funding to those that receive  
20 federal grant awards and meet the eligibility requirements  
21 of EPIC. The two Items, a and b, both meet these  
22 requirements.

23 For Item a, I am recommending approval of this  
24 grant with Lawrence Berkeley National Laboratories. This  
25 grant provides the \$125,000 of CEC cost share to leverage a

41

1 \$1.25 million grant with the Department of Energy.

2           The goal of this project is to develop an  
3 integrated software tool to improve analysis of moisture  
4 and thermal losses. This is important, because it is  
5 critical to the health of occupants and the efficient  
6 operation of buildings. This would also allow users to  
7 have a better understanding of the long-term durability of  
8 the building envelope, which can largely impact energy  
9 savings.

10           This integrated software simulation tool,  
11 MOISTHERM, is being proposed to more accurately model  
12 thermal bridging. Thermal bridging can frequently occur in  
13 buildings, resulting in an overall reduction in thermal  
14 insulation. The agreement's goal is to expand upon a  
15 widely used and freely available existing heat-transfer  
16 software program that will be adopted as a way of reducing  
17 health risks to moisture-related mold problems in  
18 buildings.

19           It is estimated the envelope cooling and heating  
20 could be reduced 10 to 15 percent when advanced moisture  
21 modeling is available.

22           I will now ask Hassan Mohammed to present on Item  
23 b. And seek your approval on both a and b.

24           MR. MOHAMMED: Good morning Chair and  
25 Commissioners. My name is Hassan Mohammed. I am a

1 Mechanical Engineer with the R&D Division. I am here to  
2 present and seek your approval for agreement with Nevados  
3 Engineering.

4 Nevados Engineering proposes to demonstrate an  
5 all-terrain single axis solar PV tracker that can fit to  
6 sloped and rolling terrains. The tracker system was  
7 developed through a DOE award and installed at PVUSA  
8 testing site in Davis.

9 The construction costs are dramatically reduced  
10 by eliminating the need for grading soil with reduced  
11 environmental damage and mitigation costs, as well as it  
12 helps solar developers build projects on lands that  
13 typically would not be considered, creating more site  
14 options.

15 This Energy Commission grant will fund the  
16 tracker system improvements, operation, and testing of  
17 various components in an effort to find cost-cutting  
18 opportunities to update the product design and optimize it  
19 for full-scale manufacturing. Further testing will be  
20 conducted to demonstrate the reliability and robustness of  
21 the single axis tracker design.

22 I recommend approval of this agreement. And I am  
23 available to answer any questions that you may have.

24 Present with me in the room is our Recipient and  
25 Founder of Nevados Engineering, Mr. Yezin Taha, who would

1 like to address the Commissioners and say a few words.

2 CHAIRMAN WEISENMILLER: Please. Please, if you  
3 would?

4 MR. TAHA: Good morning Chairman and  
5 Commissioners. My name is Yezin Taha, Co-founder and CEO  
6 of Nevados Engineering. Thank you for allowing me the time  
7 to make a few comments today.

8 I'll read this off the screen here. I'm excited  
9 about the work we're doing getting Nevados to reduce the  
10 costs of solar power plants and increase efficiencies.  
11 This Energy Commission grant will help us further develop  
12 the technology of our project and scale -- or our product  
13 and scale up manufacturing capabilities. As well as to  
14 continue to create jobs: California jobs in engineering,  
15 administration, manufacturing and marketing and sales.

16 Also, I'd just like to share that our efforts in  
17 public funds to date, have shown value in the industry. We  
18 have recorded our first sale of our equipment for a site in  
19 Central California. And we have a signed contract for  
20 another project in 2018. And have verbal approval on two  
21 more projects in late 2017 and early 2018.

22 So this grant in conjunction with support from  
23 the Department of Energy through the SunShot Initiative is  
24 critical to the continued growth and success of Nevados.  
25 And at Nevados we believe we have a very well thought-out

1 plan on how to use these funds for growth. And I hope that  
2 you'll find merit in our plans and company vision. And we  
3 look forward to helping grow the California economy with  
4 the help of these funds.

5 Thank you very much.

6 CHAIRMAN WEISENMILLER: Thank you. Thanks for  
7 being here. Are there any comments from anyone else in the  
8 room, on the line? And again, transition over.

9 (No audible response.)

10 Obviously, as the Lead Commissioner on Research  
11 and Development this type of matching fund approach has  
12 been one of our key tools for a long time. It sort of  
13 allows us to both leverage some of our funds and to provide  
14 support for applicants applying for federal funds.

15 Obviously, things are changing back there. And  
16 one of the things, which we're doing is trying to figure  
17 out ways to continue this type of thing. But it's going to  
18 require some creativity.

19 Obviously, when the Governor and I were in China  
20 we signed a number of agreements with Chinese officials  
21 that would allow some degree of coordination on the  
22 research between California and some of the Chinese  
23 entities. Obviously the premise is that any California  
24 money stays in California. And presumably, any Chinese  
25 money stays in China. But we can at least try to make sure

1 our research activities are complementary.

2           And similarly, when I was Beijing the German  
3 Energy folks were talking about how they're going to start  
4 their planning next year for their sort of three-year R&D  
5 Plan, and wanted to talk about ways of again coordinating  
6 between what we're doing and what they're doing in ways  
7 where again the presumption is California money stays in  
8 California, German money stays in Germany. But to the  
9 extent that both China and Germany have research areas that  
10 are complementary to what we're doing, to the extent we can  
11 do some coordination that's one of sort of doing the  
12 leveraging we're doing here. It's going to add certainly  
13 more complexity in some ways. But hopefully it's going to  
14 be worth it.

15           So anyways any other questions or comments on  
16 these proposals?

17           (No audible response.)

18           No? A motion.

19           COMMISSIONER DOUGLAS: Move approval.

20           COMMISSIONER SCOTT: Second.

21           CHAIRMAN WEISENMILLER: All those in favor?

22           (Ayes.)

23           This passes 5-0. Thank you.

24           COMMISSIONER DOUGLAS: So I think Chair  
25 Weisenmiller, as we take up Item 9 Commissioner McAllister

1 and I have a disclosure and so I'll start.

2 On Item 9b on the Business Meeting is a proposed  
3 grant to UC Davis. And I am an Adjunct Professor, at least  
4 every other year, and this one of my on years at King Hall,  
5 which is the law school at UC Davis. This grant is not  
6 with the law school, but I did nevertheless want to  
7 disclose that interest. Thanks.

8 COMMISSIONER MCALLISTER: So my wife is a faculty  
9 member at the King Hall and so the same story applies. No  
10 recusal, but just disclosure.

11 CHAIRMAN WEISENMILLER: Thank you.

12 Staff, please? Yes, Oh Gina, mic button.

13 MS. BARKALOW: Okay, sorry.

14 Hello Chair and Commissioners. My name is Gina  
15 Barkalow with the Research and Development Division. I am  
16 requesting approval of two projects funded through the EPIC  
17 Bioenergy Competitive Solicitation GFO-15-325. This  
18 solicitation covers three research groups.

19 Today, I am presenting two projects: item a is a  
20 bioenergy demonstration using food waste, and item b will  
21 develop a forest biomass-to-electricity facility siting  
22 tool. The remaining projects under this solicitation,  
23 which include the bioenergy demonstrations that will use  
24 forest biomass from high hazard zones, will be presented at  
25 future business meetings.

1           The first project I am asking approval for is  
2 with HZIU Kompogas SLO, Incorporated. This item is  
3 presented in two parts. The first addresses CEQA and the  
4 second part is for the Energy Commission's proposed  
5 resolution approving the grant.

6           The lead CEQA agency, County of San Luis Obispo,  
7 prepared an initial study and considered and adopted a  
8 mitigated negative declaration and a mitigation monitoring  
9 program for this project. Commission staff has reviewed  
10 and considered the lead agency's CEQA documents and finds  
11 there is no information indicating that the environmental  
12 documentation is inadequate. Additionally, staff has  
13 determined that the proposed project presents no new  
14 significant or substantially more severe environmental  
15 impacts and recommends approval of CEQA findings based on  
16 the lead agency's CEQA documents.

17           Staff recommends approval of grant agreement EPC-  
18 17-011 with HZIU Kompogas SLO, Incorporated for \$4,000,000.  
19 It is worth noting that there is over \$ 5,000,000 in match  
20 with this project.

21           The project will develop, demonstrate, and  
22 operate a community-scale anaerobic digestion system, which  
23 will break down San Luis Obispo county food waste and green  
24 waste to create renewable electricity, compost and liquid  
25 fertilizer. The project includes collaboration with non-

1 profits, such as food banks serving low-income people in  
2 disadvantaged communities, to ensure that human-grade food  
3 is utilized for its highest and best use, human  
4 consumption, and does not inappropriately incentivize food  
5 waste.

6           The second grant agreement that staff recommends  
7 approval of is EPC-17-016 with the Regents of the  
8 University of California Davis, for just over \$1.2 million,  
9 to develop an online siting tool that will help users  
10 evaluate the economics of feedstock collection and  
11 transportation, bio-power technologies performance and  
12 costs, and environmental trade-offs of woody biomass  
13 facilities at particular locations.

14           The project team will perform a case study  
15 analysis, focusing on projects located in high hazard fire  
16 zones.

17           The lack of technical capacity and capital to  
18 evaluate projects remain a major barrier to rural community  
19 participation in the CPUC's BioMAT feed-in-tariff program.

20           The tool is expected to help build the capacity  
21 within communities to develop projects, help to assess the  
22 economic and environmental impacts of investments for  
23 project stakeholders, serve as an early stage feasibility  
24 screening tool for specific sites and help reduce project  
25 reliance on consultants.

1           We have staff here from Kompogas to answer any  
2 questions you may have about their project. I am also happy  
3 to address any questions. And if there are no questions, I  
4 ask for your approval of these two items. Thank you.

5           CHAIRMAN WEISENMILLER: Please, why don't you  
6 come and introduce yourself.

7           MR. SKINNER: I'm William Skinner. I'm the  
8 Project Developer for Hitachi Zosen Inova and have been  
9 intimately involved with the project in San Luis Obispo  
10 since the onset a couple of years ago.

11           We're happy to, or glad, to be able to  
12 participate in the grant program with the California Energy  
13 Commission. And I appreciate the staff's work and  
14 everything they did to help us get to this point today. We  
15 have 75 facilities already in Europe and in other parts of  
16 the world, but this is our first facility in the U.S. and  
17 the first in California.

18           So we're very excited to bring our technology to  
19 the U.S. and also look forward to this successful project  
20 and many others to come in the future.

21           CHAIRMAN WEISENMILLER: Well, thanks. Thanks for  
22 being here today.

23           Anyone else in the room have comments on any of  
24 these items? Anyone on the phone?

25           (No audible response.)

1           So again transitioning over to the Commissioners.  
2 Again, as the Lead on this I'll at least start the  
3 conversation. I think we all know about the impacts that  
4 have occurred, I'm going to say climate change, but you  
5 know, the combination of climate change and the drought on  
6 our forestry. And the implication of that for the state is  
7 pretty staggering, in a way.

8           And I think all of the agencies are stepping  
9 forward. We were asked to try to accelerate some of our  
10 R&D in this area. I mean, the reality is we've done R&D in  
11 this area since the late '70s. And in terms of trying to  
12 in our role as research -- I mean, we're not per se a bio-  
13 energy funding source as much as how do we do research to  
14 try to drive the cost? And as we go forward we've had a  
15 pretty good portfolio of projects.

16           But again, one of the things is that we're trying  
17 to get a portfolio of options, as opposed to let's keep  
18 funding the same thing again and again. And there's  
19 obviously, as you know, some tension on that part of it  
20 dealing with the reality that we, as we say what our focus  
21 is and what the state needs here. But again, I think it's  
22 an important area.

23           It's sort of generically the issues we've faced  
24 over the years is that if you do a large, central biomass  
25 facility -- and again, I'm not talking about your anaerobic

1 digestion, per se -- you end up having very strong  
2 engineering support there. And you have to truck in  
3 products from wherever and try to make the economics work  
4 of trucking it in and the alternative uses.

5 And conversely, if a really small one, then you  
6 suddenly in some relatively remote location and it breaks  
7 and you're trucking in the engineers to try to fix it  
8 and/or parts. And again that doesn't help on the economics  
9 either, so trying to find that sweet spot is the thing that  
10 we've trying to do for years on the technology.

11 And some of it, originally we did gas fires more  
12 than anaerobic digesters. And one of the low points in the  
13 first Brown Administration was the central plant, which was  
14 going to be a gas and fire thing, right? They never  
15 operated, but anyway successfully.

16 So, this is one where we need to keep doing  
17 research to try to push the technology forward and try to  
18 help address the problems.

19 COMMISSIONER DOUGLAS: I'll just say that I think  
20 this is a really important area. And I see, and have seen,  
21 all of the challenges that you've laid out.

22 I did get a briefing some months ago from the  
23 Ethics staff on the approach that was being taken in  
24 general on biomass research. And I thought the approach  
25 made quite a bit of sense. There are so many communities

1 in California that could benefit from this kind of  
2 technology if we get to a point to where they can  
3 economically produce a product that can meet a need.

4 And it can be, in part, a fuel or electricity  
5 need. Or it can be, in part, a benefit that comes from  
6 having a place to take wood that is thinned or wood that is  
7 dead and hazardous and having an end use for those kinds of  
8 products or that waste stream.

9 And obviously, the issues around our trees and  
10 our mountains and the bark beetle and fire risk are not  
11 necessarily, can't possibly be solved by turning all of  
12 that into fuel of some sort. But at the same time to the  
13 extent that this is a technology that can benefit  
14 communities, and in many of which struggle year after year  
15 with how to deal with this issue and this waste stream, it  
16 would be a great thing.

17 And so I definitely support this project and look  
18 forward to others like it. And hope that this can be part  
19 of our strategy, going forward.

20 COMMISSIONER MCALLISTER: Yeah, I have just one  
21 quick comment and during my reconfirmation period, I talked  
22 with the members who represent these areas. And obviously  
23 we live in a huge state with massive areas and so they are  
24 looking for solutions. I mean, these are massive districts  
25 with lots of rural population. And the elected members of

1 Senate and Assembly are both just trying to figure out  
2 solutions for their populations. And so, this is another  
3 little step we can take to help them solve their problems.  
4 Even though, as you say, it's a long haul. And we don't  
5 know what options are going to really work for them, but we  
6 have to keep trying.

7 COMMISSIONER DOUGLAS: I'm happy to move approval  
8 of this item.

9 COMMISSIONER MCALLISTER: I'll second, sorry

10 CHAIRMAN WEISENMILLER: All those in favor?

11 (Ayes.)

12 This passes 5-0. Thank you. Thanks for being  
13 here today.

14 Let's go on to Item 10, Linde?

15 MR. HOM: Good morning Chair and Commissioners.

16 My name is Andrew Hom, Air Resources Engineer from the  
17 Fuels and Transportation Division and Emerging Fuels and  
18 Technologies Office. I'm here today to request approval of  
19 Amendment 4 to Agreement ARV-14-018 with Linde LLC for a  
20 station location change and a 15 month no-cost time  
21 extension.

22 In May 2014, the Energy Commission approved  
23 Agreement ARV-14-018 to Linde to construct two new hydrogen  
24 refueling stations, one in San Ramon and one at the Oakland  
25 International Airport.

1           The San Ramon station is constructed and open to  
2 the public for hydrogen refueling. However, Linde was  
3 unable to secure site control at the Oakland International  
4 Airport and is requesting approval to upgrade an existing  
5 station at the Alameda-Contra Costa Transit District, also  
6 known as AC Transit's Emeryville facility. The Emeryville  
7 station is approximately 13 miles from the originally  
8 planned Oakland Airport site and is located in a proven,  
9 high-priority area that will fit and expand the existing  
10 hydrogen network.

11           Emeryville site enhances coverage and capacity  
12 needs within the East Bay area and complements two recently  
13 funded hydrogen stations in Oakland and Berkeley.

14           The existing Emeryville station currently only  
15 has a daily fueling capacity of 65 kilograms, follows  
16 obsolete fueling and access standards and protocols and  
17 serves only a handful of fuel cell electric vehicles. This  
18 upgrade will improve station performance to a 350-kilogram  
19 daily capacity, comply with current standards and fueling  
20 protocols and will provide fueling for a greater number of  
21 fuel cell electric vehicles in the East Bay area.

22           The proposed amendment being requested today is  
23 consistent with solicitation requirements as PON-13-607,  
24 allowed station upgrades to be funded, and the station will  
25 serve the same geographical region as the original Oakland

1 Airport site.

2 The upgraded station will adhere to the minimum  
3 technical requirements of PON-13-607, which includes  
4 providing both 350 and 700 bar pressures.

5 The evaluation team has determined that this  
6 proposed change will not have materially impacted the  
7 overall score of the proposed project.

8 Linde and AC Transit have completed contract  
9 negotiations on site control and station ownership. AC  
10 Transit approved the contract at their Board meeting in  
11 April 2017, and the contract is ready to be executed with  
12 the approval of this amendment.

13 Linde is also requesting a 15-month no-cost time  
14 extension due to delays with failed negotiations for site  
15 control at the Oakland Airport location, along with  
16 extended contract negotiations with AC Transit for the  
17 Emeryville upgrade location. The current project end term  
18 date is June 30th, 2018. Linde estimates the upgraded  
19 station will be completed and open retail in August 2018.  
20 The 15-month extension to amend the project end term date  
21 to September 30th, 2019 will allow Linde to upgrade the  
22 Emeryville station and fulfill the required 12 months of  
23 data collection.

24 Thank you for your consideration of this  
25 amendment and I'm available to answer any questions.

1 CHAIRMAN WEISENMILLER: Thank you.

2 Let's start with comments from folks in the room  
3 and let's start with the government agencies.

4 ARB, Mr. Martinez, please?

5 MR. MARTINEZ: Might be 10 and 11.

6 CHAIRMAN WEISENMILLER: Right.

7 MR. MARTINEZ: Good morning Commissioners. My  
8 name is Andrew Martinez from the California Air Resources  
9 Board and part of the Zero Emission Vehicle Infrastructure  
10 Section.

11 I just want to state today that we are in support  
12 of this proposed change. Just to remind everybody in the  
13 room that this station will help us meet the Governor  
14 Brown's Executive Order to get infrastructure in place to  
15 provide fueling for 1 million ZEVs by 2020 and to have  
16 those ZEVs, 1.5 million of those ZEVs, on the road by  
17 20225.

18 So with regards to the Linde station in  
19 particular, ARB is actually looking forward to this  
20 proposed upgrade. In particular, this applies to the  
21 retail light-duty vehicle station capabilities at that  
22 station. That station has in the past, during the pre-  
23 commercial phase, already exhibited exemplary performance  
24 and reliability. This upgrade adds to that. It brings the  
25 customer experience more up-to-date, it adds reliability

57

1 with a new dispenser design that we have seen in practice  
2 at some of Linde's other stations.

3 In addition, as Andrew Hom already said, this  
4 station will be able to supply fueling for more customers  
5 than it currently does. And it will be able to keep an  
6 important presence of fueling in a core market in the East  
7 Bay area. Those two new stations that have been funded  
8 will be complementary to that. And so at the ARB we see  
9 this as a very important method for getting redundancy and  
10 getting fueling capability in that area where it is highly  
11 needed at this point and time.

12 So just to reiterate, we are in support of this  
13 proposed change for that award. Thank you.

14 CHAIRMAN WEISENMILLER: Thank you.

15 GO-Biz, Gia, please?

16 MS. VACIN: Good morning Chair Weisenmiller and  
17 Commissioners. I am Gia Vacin. I'm the Zero Emission  
18 Vehicle Project Manager at GO-Biz, Governor's Office of  
19 Business and Economic Development.

20 As you know, we have 29 open-retail stations open  
21 now. And we need to all work together and hard to continue  
22 to accelerate deployment of infrastructure to meet the  
23 vehicle deployment plans that we're hearing from the OEMs.

24 The Mountain View [sic: Emeryville] station  
25 offers the opportunity to add another station to a part of

1 the Bay where there is high demand. And also, Linde has  
2 worked with the local jurisdiction there in the city to  
3 receive approvals for that station and so there's already a  
4 lot of momentum for that station.

5 And as far as the location change from Oakland to  
6 Emeryville, it offers the opportunity to upgrade some  
7 existing infrastructure, as Andrew and Andrew indicated  
8 before, and really will help add more availability in a  
9 part of the Bay where we don't have infrastructure now.  
10 The closest stations, as you probably know are Mill Valley  
11 and Hayward at this point, for open stations. So that's  
12 really a great opportunity there, as well.

13 I also want to acknowledge Linde and the CEC  
14 staff for all of their work in finding a path forward here.  
15 And so, I want to speak. GO-Biz is in support of both the  
16 location change and the extension. Thank you.

17 CHAIRMAN WEISENMILLER: Thank you. Thanks for  
18 being here.

19 Anyone else in the room?

20 (No audible response.)

21 So, let's switch over to the phone line. Let's  
22 start with Toyota.

23 MR. MCCLORY: This is Matt McClory with Toyota.  
24 Can you hear me?

25 CHAIRMAN WEISENMILLER: Yes.

1           MR. MCCLORY: Hi. Good morning. Thank you for  
2 the opportunity to comment. I'd like to share that, on  
3 behalf of Toyota, we support the Item 10 proposed  
4 resolution to support these two Linde projects, as  
5 described.

6           In regards to the Emeryville location, in  
7 addition to the capacity and performance upgrade I'd like  
8 to stress that we fully support that this work scope will  
9 allow the conversion of this station, as currently in place  
10 today, to become a public-retail access station, so that  
11 customers at the Toyota Mirai cell fuel vehicle and other  
12 customers from other OEMs will be able to access and use  
13 the station.

14           This location is critical for both coverage and  
15 redundancy in this specific market of the San Francisco Bay  
16 area. And as described earlier by other commenters this  
17 will complement the other stations in that market that are  
18 already planned and funded.

19           For both these projects both Emeryville and San  
20 Ramon, these stations will support the increase in sales of  
21 fuel cell vehicles by biding confidence of the network of  
22 stations that are planned and that are existing.

23           And in closing, I'd like to say that we  
24 appreciate the support of staff to bring forward this  
25 resolution and the leadership of the Commission for this

1 program. Thank you.

2 CHAIRMAN WEISENMILLER: Thank you.

3 Representative from Mercedes-Benz, Mr. Forrest?

4 MR. FORREST: Hello. Can you hear me?

5 CHAIRMAN WEISENMILLER: Yes.

6 MR. FORREST: Okay, excellent. Good morning, my  
7 name is Matthew Forrest and I'm with Mercedes-Benz Research  
8 and Development, North America.

9 We would like to thank the CEC Commissioners and  
10 the staff or their strong leadership and commitment toward  
11 building out hydrogen infrastructure in the state of  
12 California. The stations funded by the CEC are enabling  
13 the transition to early commercialization of fuel cell  
14 vehicles. And also helping to position the State of  
15 California to achieve its air quality goals.

16 We would like to voice our support for the Linde  
17 proposal to use previously awarded funds to upgrade the  
18 Emeryville hydrogen station. Mercedes-Benz fuel cell  
19 vehicle customers have been using the Emeryville station  
20 for over five years and our customers have been very  
21 pleased with it, the performance of the station as well as  
22 the dedication of Linde to keep it functioning properly.

23 We fully support the upgrade of the station to  
24 increase the overall capacity as well as to enable full  
25 retail operation. Thank you.

1           CHAIRMAN WEISENMILLER: Thank you. Anyone else  
2 on the phone? So, let's transition over to the  
3 Commissioners. Commissioner Scott.

4           COMMISSIONER SCOTT: Actually, I don't actually  
5 have that much to add from Andrew's excellent presentation.  
6 And then having ARB and GO-Biz kind of highlight for you  
7 all some of the reasons why it's so important to build this  
8 network and also, Toyota and Mercedes-Benz.

9           So I will -- unless you have questions -- move  
10 approval of the item.

11           COMMISSIONER DOUGLAS: Second.

12           CHAIRMAN WEISENMILLER: All those in favor?

13           (Ayes.)

14           This passes 5-0. Thank you.

15           Let's go on to Item 11.

16           MS. CROWELL: Good morning Chairman and  
17 Commissioners. My name is Miki Crowell and I'm with the  
18 Energy Commission's Zero-Emission Vehicle and  
19 Infrastructure Office.

20           I'm presenting seven grant agreements for  
21 possible approval today that represent 700 refueling  
22 station projects proposed for funding under Grant Funding  
23 Opportunity 15-605, Light-Duty Vehicle Hydrogen Refueling  
24 Infrastructure.

25           These agreements are for capital expense grants

1 to design, construct and commission the stations. Each  
2 proposed station also applied for a \$300,000 Operation and  
3 Maintenance Support Grant, which will be presented for  
4 approval at future business meetings as each station is  
5 completed and is ready to open to the public.

6 The seven stations proposed are located in San  
7 Francisco, which will have three stations: Berkeley, Walnut  
8 Creek, Sacramento and Citrus Heights. These stations will  
9 be developed by Equilon Enterprises LLC, doing business as  
10 Shell Oil Products US. Each station will be capable of  
11 dispensing 360 kilograms of hydrogen per day, which is  
12 enough to serve over 500 fuel cell vehicles daily.

13 Each station will have two independent  
14 compressor, storage and dispenser systems, which will allow  
15 fuel cell vehicle drivers to refuel even if one dispenser  
16 goes offline, offering the redundancy and backup within the  
17 station. This is very helpful, especially in areas where  
18 we still don't have many stations.

19 Shell is requesting approximately \$2.3 million in  
20 grant funds per station, and is committing over \$1.6  
21 million in match funding for each station.

22 These seven stations will dispense 33 percent  
23 renewable hydrogen and add over 2,500 kilograms to the  
24 daily dispensing capacity of the existing hydrogen network.

25 And here, I would like to present the status of

1 the existing hydrogen refueling network that these seven  
2 stations will be added to. The Energy Commission's  
3 Alternative and Renewable Fuel and Vehicle Technology  
4 Program has provided \$105.3 million in capital expenses for  
5 60 stations, including the seven Shell stations that are  
6 presented here today, and \$6.9 million for ongoing  
7 operation and maintenance of 28 stations. And \$10 million  
8 for infrastructure supports, such as testing and temporary  
9 refueling.

10 The network now has 29 open retail stations that  
11 are certified to sell hydrogen. This is 18 stations in  
12 Southern California, 8 stations in Northern California and  
13 3 connector and destination stations. We also have 31  
14 stations that are in development to be open retail  
15 stations. Together, we have 60 stations funded with the  
16 capability to fuel over 18,000 [sic: 19,000] fuel cell  
17 vehicles.

18 The utilization rates of these stations vary in  
19 regions. Even though we have more capacity than we need  
20 now some stations are highly utilized, with requirements  
21 for more than one truck fill each day. This is why we need  
22 to continue funding more stations, especially in high  
23 demand areas. Here's a map of the current hydrogen  
24 refueling network.

25 Last year the California Air Resources Board

1 projected that California will have 13,500 fuel cell  
2 vehicles by 2019 and 43,600 by 2022. If approved, these  
3 stations are expected to be open to the public in the  
4 second quarter of 2019 in time to support the growing  
5 number of fuel cell vehicles being deployed in California.

6 Staff is asking for approval of these seven  
7 agreements, listed as a through g in Item 11. Wayne  
8 Leighty from Shell is here today and would like to make a  
9 comment. Also, we have Jim Martin, Omar Shkier from Shell  
10 in person. And we also have representatives from ARB and  
11 Go-Biz here to support this item.

12 We're happy to answer any questions you may have.  
13 Thank you.

14 CHAIRMAN WEISENMILLER: Thank you. Let' again  
15 start with comments from those in the room and then on the  
16 phone. And this time we'll start with GO-Biz. Please,  
17 Gia.

18 MS. VACIN: Hello. Gia Vacin, GO-Biz. I'm here  
19 to speak in support of this item. These seven locations in  
20 San Francisco, Berkeley, Walnut Creek and those that are  
21 also in the Sacramento area are currently places where  
22 we're lacking adequate infrastructure.

23 And also, in terms of -- these stations will also  
24 have higher capacity than our existing stations, which is  
25 very important for meeting the goals that we've set out in

65

1 vehicle deployment plans.

2 It's also a positive indicator to the hydrogen  
3 and fuel cell electric vehicle market to have a large oil  
4 company and a company with a lot of retail experience  
5 coming into a more active role in this market.

6 And so, GO-Biz supports approval of these  
7 stations and the award. Thank you.

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

10 ARB, Andrew.

11 MR. MARTINEZ: Hello. Andrew Martinez,  
12 California Air Resources Board again.

13 So I want to mention just again some things that  
14 you've already heard. These stations again bring us closer  
15 to the Governor's Executive Order goals. And for these  
16 particular stations, as well as Gia said, it does provide a  
17 major message out there to show that the -- an oil major is  
18 coming into this market with an actual real and vested  
19 commitment towards getting our transportation into  
20 renewable and zero-emission technologies.

21 In terms of these station designs themselves I  
22 would like to highlight again the dual dispenser design,  
23 the fact that these stations are proposed to have these  
24 dispensers under the canopy in line with the existing  
25 gasoline fueling and the high capacity. All of these

1 contribute to the positive customer experience at these  
2 stations. These will help these stations really be truly  
3 retail experience stations that our customers are  
4 comfortable with and can feel that they can rely on for  
5 their fueling and be able to then purchase hydrogen fuel  
6 cell vehicles.

7           In regards to locations I do want to just quickly  
8 point out that three of the stations will establish the  
9 first sub-network within San Francisco, with a high degree  
10 of redundancy. That's really important right now. That's  
11 an area that is not served at all, essentially, without  
12 those stations.

13           Two stations in Sacramento region will expand the  
14 market opportunities here, provide coverage and also help,  
15 again, with being able to sell these vehicles in the  
16 greater Sacramento area.

17           And finally, two of the stations in Walnut Creek  
18 and in Berkeley will help, again, complement that -- the  
19 Emeryville station as well as another proposed station to  
20 increase coverage and also redundancy and market viability  
21 in that area.

22           So, again, the California Air Resources Board  
23 would like to register our support for this motion. Thank  
24 you.

25           CHAIRMAN WEISENMILLER: Thank you. Thanks for

1 being here.

2           Anyone else in the room? Please, come up,  
3 introduce yourself and --

4           MR. LEIGHTY: Hello Mr. Chairman, Commissioners.  
5 My name is Wayne Leighty. I'm the Business Development  
6 Manager for Shell Hydrogen, so Applicant. It's a pleasure  
7 to be with you here today. We are grateful to the  
8 California Energy Commission for your consideration of  
9 grant funding that will enable customers to choose hydrogen  
10 fuel alongside gasoline and diesel at the seven Shell-  
11 branded stations in San Francisco, Berkeley, Walnut Creek,  
12 Sacramento and Citrus Heights.

13           We will apply our worldwide experience of more  
14 than 100 years in marketing transportation fuels to the  
15 success of these stations. We're also grateful for the  
16 contributions of Honda, Toyota and Anglo American to these  
17 seven stations.

18           Shell has been a pioneer in the development of  
19 hydrogen refueling programs since the 1960s. We've been  
20 building hydrogen refueling stations since 1999. And this  
21 grant award would bring the number of stations we are  
22 operating in California to nine.

23           The proposed hydrogen refueling stations will be  
24 installed in strategic locations within the existing  
25 network of Shell-branded retail stations, offering the fuel

1 cell electric vehicle drivers high quality service with  
2 simple and straightforward refueling in minutes.

3 The ten locations that Shell proposed were  
4 carefully chosen amongst hundreds of potential sites. The  
5 seven locations selected for proposed award will complete  
6 the additions to network coverage and capacity as  
7 determined through the CEC's careful and thorough selection  
8 process.

9 Thank you.

10 CHAIRMAN WEISENMILLER: Thank you. Thanks for  
11 being here. Could you give the court reporter your card?

12 Let's go now to the phone lines. Let's start  
13 with the Fuel Cell Partnership, Ms. Hamilton.

14 MS. HAMILTON: Jennifer Hamilton, with the  
15 California Fuel Cell Partnership. And I thank you for the  
16 opportunity to comment.

17 We'd like to first acknowledge and commend all  
18 the hard work the CEC has done to date to getting us to our  
19 29 open retail hydrogen stations and that we very much look  
20 forward to the future stations opening, as you saw on the  
21 slide there. And that this round of funding from the  
22 current GFO, including these seven stations from an  
23 experienced -- as you heard -- an experienced retail fuel  
24 provider, is a big step forward to achieving the goals for  
25 California hydrogen refueling infrastructure.

1           So we thank you for continuing the good work and  
2 we look forward to the fruition of all upcoming stations  
3 and support the approval of this item. Thank you.

4           CHAIRMAN WEISENMILLER: Thank you.

5           Let's go to American Honda, Mr. Ellis.

6           MR. ELLIS: Just want to make sure you can hear  
7 me okay?

8           CHAIRMAN WEISENMILLER: Yes, we can.

9           MR. ELLIS: Okay, great. So, on behalf of  
10 American Honda Motor Company based in Torrance, California,  
11 we certainly thank the Energy Commission and ARB for  
12 continued funding under AB 8 and specifically this award to  
13 Equilon Enterprises for these seven well-located and higher  
14 capacity hydrogen stations.

15           Honda, through our California dealerships, we  
16 began deliveries in December of '16 of our latest, our  
17 third generation, hydrogen fuel cell electric vehicle, the  
18 Clarity Fuel Cell. This is being enthusiastically embraced  
19 by retail customers in both the Northern and Southern  
20 California regions, where the consumer-friendly network of  
21 hydrogen stations is developing. The Clarity Fuel Cell is  
22 a large five-passenger sedan the EPA rated at a 366-mile  
23 range, of course with refueling in just 3 to 5 minutes.

24           Simply put, not only are the hydrogen stations  
25 advancing quickly in a very positive and consumer-friendly

1 manner, the vehicle offerings by automakers have advanced  
2 greatly too. So the zero emission offerings by automakers  
3 are diversifying providing greater choice and convenience  
4 for California citizens seeking to reduce their carbon  
5 impact from automobile transportation.

6           So in closing, really approval of this agreement,  
7 ARV-17-001 through 007 will help enable greater deployment  
8 of zero-emission fuel cell vehicles within the state,  
9 advanced both Honda's and the State of California's Co2  
10 reduction goals. So we encourage approval and thank,  
11 again, both the Energy Commission and ARB for its role and  
12 leadership toward lower-carbon transportation. Thank you.

13           CHAIRMAN WEISENMILLER: Thank you.

14           Let's go on to at this time Mercedes-Benz.  
15 Mr. Forrest?

16           MR. FORREST: We would like to voice our strong  
17 support for the awards made to Shell Oil Products to  
18 deliver these seven hydrogen stations to the Sacramento and  
19 San Francisco Bay areas under GFO 15-605 Solicitation.

20           Shell has a proven track record of operating some  
21 of the most reliable customer-friendly and highest-  
22 performing stations in Southern California. And we think  
23 the investments made by the state and Shell's proposed  
24 projects will deliver the same level of quality and  
25 customer experience for the drivers in Northern California.

1 Thank you.

2 CHAIRMAN WEISENMILLER: Thank you.

3 And Toyota?

4 MR. MCCLORY: Matt McClory from Toyota. I'd like  
5 to state on behalf of Toyota, we strongly support the Item  
6 11 Proposed Resolution to provide funding support for the  
7 seven stations as described.

8 This project is critical to increase the volume  
9 of fuel cell vehicles in California for two key reasons:  
10 First, primarily, is the buildout of the network of  
11 stations in the San Francisco region, including also the  
12 Sacramento region, which is really at a critical point  
13 right now of needing to have an expansion. And second,  
14 although it's maybe not completely visible on the surface,  
15 it also adds confidence to customers in Southern California  
16 and future customers or customer intenders in Southern  
17 California, because it allows them to see that it's now a  
18 statewide network. This is also a motivating factor in  
19 promoting vehicle sales.

20 I'd like to underscore that this project is  
21 expected to make a significant advance in the buildout of  
22 the overall network, particularly in advance of the station  
23 equipment technology. We feel this project demonstrates a  
24 positive direction and a commercialization of the fueling  
25 supply chain and the development of hydrogen retail sales

1 in this configuration.

2 So in closing, we appreciate the support of staff  
3 to bring this project forward. And we appreciate the  
4 leadership of the Commission for this program and its  
5 continued use. Thank you.

6 CHAIRMAN WEISENMILLER: Thank you.

7 Anyone else on the line?

8 (No audible response.)

9 Then let's transition over to Commissioner Scott,  
10 who's probably very excited.

11 COMMISSIONER SCOTT: Yes, indeed I am. I think  
12 you have seen here the strong state support that we have,  
13 the excellent collaboration that's taking place between the  
14 Energy Commission, GO-Biz and the Air Resources Board, as  
15 we're really working to figure out where the best station  
16 locations are. All of the kind of hand-holding and  
17 guidance that we do around the state with local permitting  
18 agencies and others, so that they can understand what this  
19 technology is. And then of course the Energy Commission's  
20 funding to help build this network.

21 This is very exciting. And you heard it  
22 throughout the comments that you heard from really all of  
23 the speakers, but this is one of the first open retail  
24 networks in the world. So we're really pioneering in this  
25 space.

1           This set of grants, the capacity of the stations  
2 is bigger, but for kind of the same dollars, so that the  
3 fueling infrastructure is advancing. Having two fuel pumps  
4 instead of just one, I mean these are nice advancements in  
5 the fueling for the hydrogen refueling infrastructure, so  
6 I'm excited to see that as well.

7           In addition to these seven, a couple months ago  
8 you probably remember that we did eight other stations --  
9 those were in Southern California -- and a connector  
10 station. So together we're kind of filling in the network  
11 and then making sure you can get from Southern California  
12 to Northern California and back again.

13           And so that is -- and it's, as you all know, this  
14 ties of course back to Governor Brown's Zero Emission  
15 Vehicle Executive Order to have the infrastructure to  
16 support 1.5 million zero-emission vehicles. And that, of  
17 course, ties back to our clean air standards that we need  
18 to meet and our climate-change goals.

19           And one of the reasons I think having hydrogen  
20 fuel cell electrics in addition to the battery electrics is  
21 we need as many consumer choices out there, I think, as we  
22 can get to make the transformation we're trying to make on  
23 the timeline in which we're trying to make it.

24           So, this is very exciting. I thank everyone for  
25 being here with us today and calling in. And if you don't

1 have questions I will move approval of Item 11.

2 COMMISSIONER DOUGLAS: Second.

3 CHAIRMAN WEISENMILLER: Okay. All those in  
4 favor?

5 (Ayes.)

6 This passes 5-0. Thank you.

7 Let's go on to Item 12, Discussion of 350  
8 Implementation.

9 MR. SOKOL: All right. Good morning Chair and  
10 Commissioners. I'm Michael Sokol. And I'm here today as  
11 per is usually done at the monthly business meetings, to  
12 provide an update on the schedule of activities for SB 350  
13 implementation. And this is really, actually, a pretty  
14 important meeting for SB 350 given that there are a number  
15 of key items that have recently been posted or that were  
16 adopted today.

17 So just starting off on that note on the track of  
18 Integrated Resource Planning, as you heard earlier you  
19 voted to adopt the Publicly Owned Utility Integrated  
20 Resource Planning, Submission and Review Guidelines that  
21 have been the culmination of staff work over the past year,  
22 plus. And really, the engagement of a lot of the key  
23 stakeholders and the utilities, and so it was good to see  
24 that there were supportive comments there and those were  
25 adopted.

1 I also wanted to highlight sort of the next steps  
2 in the IRP process, which is really looking at the  
3 requirement for establishing utility-specific greenhouse  
4 gas emission reduction targets. And so ARB is tasked in SB  
5 350 in coordination with the Energy Commission and Public  
6 Utilities Commission establishing those targets. And we're  
7 moving forth in a coordinated joint-agency process to get  
8 to those targets, ultimately leading up to the first round  
9 of IRPs coming in from the publicly-owned utilities in  
10 January of 2019. And so the guidelines are certainly a  
11 huge step in the IRP process, but there's still a little  
12 bit more work to be done to get to those January IRPs.

13 Secondly, I wanted to highlight the Low-Income  
14 Barrier Study implementation work that's been going on.  
15 There, of course, was this workshop on August 1st, which  
16 was the second in a series of implementation workshops  
17 conducted as part of the Integrated Energy Policy Report  
18 Proceeding. And this was a pretty lengthy and dense  
19 workshop with lots of topics covered. It started off with  
20 highlighting some of the existing efforts from utilities,  
21 including the Community Choice Aggregator Discussion on  
22 efforts to engage with low-income customers in  
23 disadvantaged communities.

24 There was a presentation we heard on Consumer  
25 Protection in the Clean Energy Economy that really

1 highlighted some of the key issues faced by low-income  
2 customers, for solar specifically.

3           There was a good conversation on Small Business  
4 Contracting Opportunities in Disadvantaged Communities.  
5 And this was one with the (inaudible) the Barrier Study  
6 last December, pointing to the need for an additional  
7 follow-up study. And so, there was a lot of good  
8 conversation and what are the potential solutions that  
9 should be investigated as we move forward with that follow-  
10 up study.

11           There was a panel discussion on adoption of  
12 advanced technologies in disadvantaged communities. And  
13 this was really highlighted some of the case study projects  
14 that were funded by the EPIC Program and some of the sort  
15 of lessons learned there, and how they have shown some  
16 success in deploying advanced technologies in disadvantaged  
17 communities.

18           And lastly, we heard a good panel discussion on  
19 plug load efficiency opportunities for low-income  
20 customers. They kind of shined a flashlight on some areas  
21 that we could follow up and have additional conversations  
22 on. And basically, ways to better utilize data and provide  
23 better opportunities to low-income customers to improve  
24 their plug load efficiency.

25           So I also wanted to highlight one new effort

1 related to SB 350 that was spotlighted at that August 1st  
2 workshop, and this the Joint Agency Disadvantaged Community  
3 Advisory Group. There was a draft proposal that was  
4 posted, actually the morning of August 1st, with some key  
5 questions for stakeholders. It was posted along with a  
6 request for comments. And so we're expecting comments,  
7 which are due on August 15th, to really help refine that  
8 and turn into, ultimately, a Charter for this Advisory  
9 Group that will be put out later this year.

10 I also wanted to highlight the Related to Low-  
11 Income Barriers Implementation, moving forward. As you'll  
12 hear a little more about in a moment staff is working very  
13 quickly here to put together a Revised Energy Equity  
14 Indicators Report that will be -- excuse me -- a draft  
15 staff paper that will be published in the late August,  
16 early September timeframe, ultimately leading up to  
17 publishing an Energy Equity Indicators Tracking Progress  
18 Report by the end of this year.

19 And again, you'll hear more detail about a lot of  
20 the effort that's going on there in just a moment.

21 So next slide, please. For the Doubling of  
22 Energy Efficiency Savings Proceeding, on August 3rd there  
23 were comments due for both of the staff papers that were  
24 published on July 21st. And so there were a number of  
25 comments from utilities and other stakeholders that

1 identify areas for potential clarification or expansion as  
2 we approach a Commission Draft Report, which will pull  
3 together all those comments and both of the staff papers  
4 into a single report that will be published and discussed  
5 at a workshop on September 7<sup>th</sup>, ultimately leading up to  
6 Consideration of Adoption once there's additional comment  
7 period and opportunities for refinement, a Consideration at  
8 the November 8<sup>th</sup> business meeting later this year.

9           And so, lastly, you see here is the Energy Data  
10 Collection Rulemaking. I wanted to note that last Friday,  
11 August 4<sup>th</sup>, the Phase I Data Collection Rulemaking documents  
12 were posted. And there are comments due on September 20<sup>th</sup>  
13 for this Phase I Rulemaking. Of course, there's a number  
14 of changes proposed to the Title 20 Data Collection  
15 Regulations to implement the requirements of SB 350 and,  
16 really, that are needed to improve the Demand Forecast,  
17 moving forward. So I wanted to highlight comments due  
18 September 20<sup>th</sup> and then looking at Consideration of  
19 Adoption at the October 11<sup>th</sup> business meeting.

20           And then I just wanted to highlight that, as has  
21 been noted previously, that after this Phase I is completed  
22 there's a conversation of looking at potential Phase II  
23 revisions to the regulations as well. And so there's just  
24 some initial staff discussions starting to look at scoping  
25 that Phase II.

1           So lastly, I just wanted to mention that there  
2 are several other efforts that are not necessarily listed  
3 here, such as RPS Provisions of SB 350 and the AB 802  
4 Building Energy Benchmarking Use and Disclosure Program.  
5 And that these items listed here are really just the tip of  
6 the iceberg for SB 350 implementation activities that are  
7 ongoing. And there's just a huge effort and dedication  
8 from a lot of staff that carry these efforts forward. And  
9 I'm just the guy that sits up here and gets to report on a  
10 few of them every month. But it's really great work from a  
11 lot of people to make this happen.

12           And so with that being said I want to go ahead  
13 and turn over to Akua McLeod to discuss in more detail the  
14 Energy Equity Indicators Effort.

15           MS. MCLEOD: Thank you, Mike Sokol.

16           So good morning Chair and Commissioners, my name  
17 is Akua McLeod and I'm here to provide you sort of with an  
18 update on the progress towards implementing Recommendation  
19 5 of the SB 350 Low-Income Barriers Study Part A. And  
20 specifically, this recommendation is to leverage metrics to  
21 improve program performance.

22           And so the SB 350 as you already know, directed  
23 the Energy Commission to prepare a report on barriers to  
24 low-income access to clean energy and energy efficiency  
25 measures. And the Air Resources Board has been working on

1 a Part B of the study, a released a Part B. And we're  
2 continuing to coordinate with the Air Resources Board and  
3 other agency and stakeholders in the development of these  
4 indicators. Next slide, please.

5 And so in May of 2017 this report, the California  
6 Clean Energy Equity Framework and Indicators Report was  
7 released and we've been working on, since then this summer  
8 in preparation for releasing a revised report in later this  
9 month or early in September. And also along that same  
10 timeframe releasing a request for comments, so we can get  
11 greater feedback on how to further improve our indicators.  
12 And then finally, looking towards December, a tracking or  
13 progress report on the same topic. Next slide.

14 So what did the report do? It highlighted 12  
15 performance indicators organized by this framework that's  
16 highlighted here by this Venn diagram. And essentially,  
17 the Venn diagram highlights a framework that has three  
18 components: that is access, which looks at increasing  
19 consumer choice and improving access to resources in these  
20 communities. The next component is that of investment,  
21 which is everything from investing in infrastructure in  
22 these communities to maximizing economic impact and  
23 supporting the local economy as it relates to clean energy  
24 and energy efficiency. And the third and final component  
25 is that of resilience. And this deals a lot with energy

1 reliability, energy affordability and the ability to  
2 support these communities as they deal with potentially  
3 extreme weather events, but looking at how they can bounce  
4 back and remain resilient.

5           And so, all the indicators are attributed to one  
6 significant -- or one part of that framework. However,  
7 there's a lot of overlap. For example, the Energy Savings  
8 Indicator is an access indicator, but it's also definitely  
9 tied to investment, right? As we see that if we're able to  
10 increase energy savings and invest in these communities  
11 then we're still contributing to the overall end goal of  
12 energy equity.

13           And so this summer we've chosen to focus on four  
14 priority indicators, based both on the feedback we received  
15 in May on existing datasets and available datasets for use,  
16 as well as the central goals of the SB 350, which are like  
17 energy efficiency, decreasing energy burden, looking at  
18 renewables and additional contracting opportunities for  
19 small businesses and broadening participation in energy  
20 economy. And so we've chosen these four: energy savings,  
21 energy burden, renewables and amount invested for focus.  
22 This summer the overall goal is of course to continue to  
23 work on the remaining 12 -- or on the rest of the 12 in  
24 later months.

25           And so for each indicator we approached it with a

1 three-step process. Step 1 sourcing data. So identifying  
2 agencies, organizations and divisions within the CEC that  
3 had the data that we needed and looking at how to best  
4 coordinate access to that data and communicate that data.

5 Step 2 involved organizing auxiliary datasets.  
6 Because, essentially, each indicator, sometimes it required  
7 multiple layers of data to most effectively communicate  
8 that metric. And so identifying what those layers are and  
9 seeing how we can mesh them together was this next step in  
10 this process.

11 And the final step was in line here today was  
12 looking at visual representation of these indicators, so we  
13 can really use them as effective tools for identifying  
14 areas of greatest need when more investment and support  
15 should occur.

16 And that's what I'm here to share with you today,  
17 some of the maps that we've created. So with that our  
18 first indicator is energy burden.

19 So we can move on to the next slide, please. So,  
20 this map here highlights the areas where the greatest  
21 proportion of your annual income is spent on electricity  
22 bill. And so, these are the zip codes with the highest  
23 proportion. And they're highlighted, using diamonds and  
24 there are two colors of diamonds: there's red and purple to  
25 highlight actually, building age. And the reason why we

1 looked at housing vintage is we felt like there was a  
2 significant correlation between the age of your house and  
3 your energy efficiency of your house, and lesser energy  
4 burden. So we thought it was important to incorporate that  
5 into the narrative of this indicator.

6           Additionally, we wanted to look at climate zones,  
7 because we felt that like in hotter climate zones that  
8 might impact your energy burden. So we have that here on  
9 the map. The light pink in the top part indicates a hotter  
10 climate zone. And also, you can see that there's a  
11 concentration of regions with high energy burden.

12           And just for clarification for all of the maps  
13 that you'll see today we focused only on places of greatest  
14 need that are located in low-income communities.

15           And finally, we also wanted to incorporate high  
16 energy usage. So if you see diamonds that are surrounded  
17 by a circle, that's a region where there's overlap of low-  
18 income communities, energy burden, and high energy usage.

19           And then consistent for all the maps that I will  
20 share today we include data from CalEnviroScreen for the  
21 disadvantaged communities, as well as data for low-income  
22 communities, as defined as less than 80 percent of the  
23 statewide median income. So there's a lot of overlap of  
24 those two definitions. And you can see that happening both  
25 in Los Angeles on the left of the map, as well as in San

1 Bernardino.

2           And so essentially, we wanted to zoom in -- this  
3 is really just a piece of the larger maps that have been  
4 created -- but we wanted to zoom in, so you could really  
5 get a greater look at some of the areas that need great  
6 investment. And so we see some concentrations of diamonds  
7 in San Bernardino and up towards the top of the map, as  
8 well. And the data source for this is the California  
9 Public Utilities Commission.

10           So if you can move on to the next slide please.  
11 So, this next indicator was about energy savings, and so  
12 each of the dots on this map represents an area where there  
13 is the least amount of energy savings per capita and  
14 located in a low-income community. And so once again we've  
15 overlaid this with information about disadvantaged  
16 communities and low-income communities. This data is from  
17 the California Energy Efficiency Statistics database, which  
18 is a CPUC database. Yes, and so we wanted to just  
19 highlight those areas where greater investment and greater  
20 energy savings need to occur. Next slide, please.

21           So this is the third of the four indicators. And  
22 the focus here is renewables, but for each of these we are  
23 looking to include more datasets this time, as time passes.  
24 And so we've started by looking at rooftop solar  
25 installations in IOU territories for 2016.

1           And ultimately, we hope to include for these and  
2 the rest of -- for this and the rest of the indicators,  
3 data from LADWP and some of the other larger publicly owned  
4 utilities. But for now, we have here data from the IOUs.  
5 And so we're looking specifically at this dataset, the net  
6 energy metering currently interconnected dataset, which is  
7 part of the California Distributed Generation Statistics  
8 database. And so this is looking at all currently  
9 interconnected data.

10           Each of the triangles highlights an area where  
11 there's the lowest concentration of renewables and  
12 kilowatts installed per capita, that are also located in a  
13 low-income community. And so you see there's a large  
14 concentration of regions where we need to look at more  
15 rooftop installations close to Los Angeles and then also  
16 over by San Bernardino. And if you can move to the next  
17 slide please.

18           And this is the fourth and final indicator for  
19 this, our current summer work, and this is looking  
20 primarily at investments. So it will be used for P5, the  
21 amount invested indicator.

22           And so essentially, for this focus we've looked  
23 mostly at low-income weatherization program investments in  
24 2016. And so each of the squares highlights a region where  
25 LIWP -- or LIWP GGRF investments are smallest per capita.

1 However, it's important to note that often LIWP is  
2 administered in conjunction with federal programming. And  
3 so there could be areas that show a low investment of LIWP  
4 dollars, but there is actually federal dollars that have  
5 been administered in that region. So this is really just  
6 highlighting regions that we should look at for closer  
7 analysis as we seek to gather more information.

8           And so, in addition to adding data from LADWP and  
9 other POU's we're hoping to also incorporate investment  
10 information for the Solar CSI Program as well as the Energy  
11 Commission's Electric Vehicle Infrastructure Investment.  
12 So those are other datasets and layers that we hope to add  
13 to this indicator.

14           And so essentially, in the long-term we're  
15 looking to release this revised report that has these  
16 indicators as tools. But in the long-term we see this as a  
17 program development source --resource as well as a tool for  
18 looking at how we can make more targeted investments in  
19 areas of greatest need. And let's achieve energy equity.

20           So if you can move to the next slide please. So  
21 these are the references and sources that we've used for  
22 this summer's work, both for the datasets specifically as  
23 well as some of the disadvantaged community data. And next  
24 slide.

25           So I just want to thank you so much for your time

1 listening to this. And a huge shout-out to my advisers,  
2 Kevin Barker and Pamela Doughman, who was Lead Author for  
3 the California Clean Energy Equity Framework. And  
4 (inaudible) and has been such an incredible resource and  
5 mentor during this process. I'd also like to thank Travis  
6 David from Cartography for helping us create these maps and  
7 really being supportive during that process. And finally,  
8 the other agencies: the PUC and ARB and CSD that have been  
9 super and instrumental in developing these indicators.

10 So with that, I am able to answer any questions  
11 you may have. Thank you.

12 CHAIR WEISENMILLER: Yeah. Actually, I was going  
13 to say I think we all want to thank you. I was going to  
14 suggest a round of applause actually, yeah. (Applause.)  
15 This is a really solid job on this and certainly taking the  
16 steps along.

17 I mean, it's probably -- again, we've been  
18 blessed by having the Stanford students with us this  
19 summer. I mean, obviously we're getting to that stage of  
20 actually pulling all together. Thank you, thank all of  
21 you. But I think we should thank Dian Grueneich for sort  
22 of helping organize this and Stanford for funding it. I  
23 was there last Friday through some -- we were talking about  
24 not only perhaps extending this, so there might be some  
25 annual students here, but also Stanford is thinking of

1 seeing if it can try to raise the money to bring students  
2 from Mexico to Stanford and also to share some of them with  
3 us. So I'm sure when they get that together I could  
4 imagine every Commissioner Office trying to jostle to get  
5 some of the Mexican students and also as part of this  
6 activity.

7 So again, thank you.

8 Does anyone have questions or comments for Akua?

9 COMMISSIONER MCALLISTER: I guess just quickly,  
10 so thanks. I mean, certainly your group is fantastic. You  
11 can all see the quality and maturity, even though you guys  
12 are relatively junior in your careers, but you're going to  
13 go places for sure.

14 I guess I just wanted to highlight these tools.  
15 So we're doing a ton of work on getting access to better  
16 data. And these are the datasets that are kind of there  
17 and you got access to them. And that's great. And I think  
18 the nice thing about these kinds of activities is that you  
19 start where you are and then they only get better with  
20 time, right? The more you -- the more kind of you can  
21 layer and build tools in analytical capability, you've got  
22 a platform. And so starting to build this platform then it  
23 just opens up all sorts of opportunities, so that when we  
24 do get these new data sources then we can plop them in and  
25 we can keep on running.

1           And so I think that's really the -- so this fits  
2   beautifully into the Commission's long-term plan with just  
3   using better information to do better analysis to do better  
4   policies. So, and certainly, it's nowhere more important  
5   than the low-income efforts that we're embarking on. So  
6   thanks.

7           COMMISSIONER HOCHSCHILD: I had a -- sorry, did  
8   you have something you wanted to say? Yeah?

9           Just a question -- but thank you again, terrific  
10   report. Was there any data that you were trying to get,  
11   but couldn't? What was hardest for you?

12          MS. MCLEOD: I feel like the challenge was just  
13   navigating datasets that aren't necessarily internal  
14   datasets and finding out the best ways to communicate data  
15   may not be our own. I think so far it's been a pretty  
16   smooth process in gathering that information, I think.  
17   Yeah.

18          COMMISSIONER HOCHSCHILD: Okay, that's good to  
19   hear.

20          Yeah, just to reemphasize, I think the top two  
21   priorities for the Governor, and he's absolutely right in  
22   this philosophy I think, are climate change and inequality.  
23   And that SB 350 is really intended to address both. And  
24   being able to track how we're doing, particularly with the  
25   justice issues associated with energy is really important.

1           And I wanted again to extend my thanks with  
2 Stanford. When we first engaged with Stanford in a  
3 conversation about creating the program the hope was both  
4 to provide a great experience for the students and then  
5 graduate-students and to get meaningful projects done and  
6 hopefully even a pathway into state service for all the  
7 (phonetic) towns too. And I have just been -- my  
8 expectations have been absolutely exceeded both years.

9           And I really want to thank not just Dian  
10 Grueneich, but also Bruce Cannon, (phonetic) Sally Benson,  
11 and then the two donors, who I think want to remain  
12 anonymous, who are funding the whole thing. And without  
13 that it wouldn't be possible. But it's just been an  
14 incredible success. And just this is another example, so  
15 thanks for your work.

16           CHAIRMAN WEISENMILLER: Yeah, this seems to be a  
17 good opportunity to pull everyone forward for some photo  
18 ops.

19           And I say, I also want to note many of you were  
20 here last month on the Mandela work. And I will be graced  
21 with two Mandela Fellows. Yeah, stand up. Stand up,  
22 please. Dina from Madagascar and Errol from Seychelles,  
23 and as we go to the photos I think let's do Stanford and  
24 let's bring them up, too. Please, okay.

25           COMMISSIONER DOUGLAS: Well, I'll just say, very

1 briefly that I had an opportunity to meet with Mandela  
2 Fellows and they were fantastic.

3 CHAIRMAN WEISENMILLER: Oh yeah? I missed that.

4 COMMISSIONER DOUGLAS: So I really enjoyed that  
5 meeting. And they were very, very impressive.

6 (Pause for Photo Shoot.)

7 CHAIRMAN WEISENMILLER: That was fun.

8 Let's go onto the Minutes.

9 COMMISSIONER MCALLISTER: I'll move Item 13.

10 COMMISSIONER DOUGLAS: Second.

11 CHAIRMAN WEISENMILLER: All those in favor?

12 (Ayes.)

13 The Minutes passed 5-0.

14 Let's do Lead Commissioner, Presiding Members.  
15 Commissioner Scott?

16 COMMISSIONER SCOTT: Sure. I just have one  
17 update for you all today. And that is that on Monday I had  
18 an opportunity to go down and visit the Navy in San Diego  
19 and to see the electric vehicles that they are now driving  
20 in their fleet. It was pretty fantastic to get to see the  
21 vehicles.

22 And to learn a little bit about how they are  
23 getting those vehicles out into the general population of  
24 folks who can -- it's kind of like a car rental service,  
25 actually, the way that it's set up, so the folks who are

1 able to take advantage of that car rental service hear  
2 about some of the challenges and how it's coming along.  
3 So, I appreciated the opportunity to do that.

4 The Navy, as always are fantastic hosts, so I  
5 appreciate them showing me around on Monday. And just a  
6 great opportunity again, to highlight the leadership of  
7 Chair Weisenmiller and Assistant Secretary McGinn in  
8 putting together this partnership and thinking about ways  
9 to continue working together.

10 But it was very exciting to see all of the cars  
11 charging up and out there for use.

12 COMMISSIONER MCALLISTER: Very cool.

13 COMMISSIONER SCOTT: So that's my update for you  
14 all.

15 COMMISSIONER MCALLISTER: So just a few quick  
16 things. Mainly, I wanted to just mention the Proterra  
17 event. Late last month I went on behalf of Commissioner  
18 Scott, who couldn't make it, but it was with the Governor.  
19 And also Governor Jennifer Granholm from Michigan, who is  
20 on the Board of Proterra and is actually in California at  
21 the moment I think, as an Adjunct at UC Berkeley.

22 And but just lots of great innovative thinking in  
23 the room. And obviously an incredible company, well run it  
24 seems in building buses and getting a lot of business there  
25 locally and really building their business and creating

1 jobs. I mean, just every positive message about  
2 electrification of transportation was just right there in  
3 the room and just very clear -- clear, palpable, good stuff  
4 happening, so that was a really excellent event. Very well  
5 organized, got lots of good media. So thanks for that  
6 opportunity. That was fun.

7           And let's see, I just wanted to mention that the  
8 Citizens Oversight Board happened for Prop 39 when you were  
9 out -- when the Chair was in China, so I sat in on that and  
10 we got an update on sort of the details, more or less, of  
11 how it's likely to move forward. So I think in general,  
12 obviously the Board itself felt that dealing with some of  
13 the leftover funds for the first round and then getting the  
14 second round, they felt it was a good idea.

15           Obviously we here at the Commission may agree in  
16 theory. We have some challenges with how to fund it from  
17 our ERPA Funds, but I think they are actually evolving. It  
18 does -- the budget trailer bill did deal with some of the  
19 issues that needed to be dealt with, including some of the  
20 timing issues and things like that. So anyway, we have a  
21 more or less solid basis going forward.

22           CHAIR WEISENMILLER: Yeah. You had -- even had  
23 the outside audit done as a (indiscernible).

24           COMMISSIONER MCALLISTER: Oh yeah, right. That's  
25 right. So the main thing the Oversight Board does is

1 manage the audit of the program. And that came through  
2 with basically flying colors. I mean, every audit turns up  
3 some little minor things that need to be discussed. But  
4 basically the program came through with being very well-  
5 run. And then we just have to give credit to staff for  
6 putting together a program that is transparent, is doing  
7 what it's supposed to do and is effective at dealing with  
8 just a massive number of applications and many, many  
9 stakeholders.

10           So going forward, we're still working on some of  
11 the legal issues. We might have to change processes a  
12 little bit, but in any case, we have a good infrastructure  
13 to keep that program moving forward, which is excellent.

14           And so then I wanted to just highlight one of the  
15 lunchtime talks we had since the last business meeting.  
16 And it was by a company called Enervee, which does online  
17 efficiency market places. And they just -- there's so much  
18 innovation happening right now.

19           And this is a particular thing I want to  
20 highlight. We talk at the business meetings. At the last  
21 few we've had some discussion of plug loads and that is  
22 really a challenging effort. And we need to figure out  
23 ways to do more than just the standards, which are really  
24 important, but working with the market to enable people to  
25 make better decisions and buy the most efficient products

1 out there has always been a challenge.

2 And so Enervee is bringing some really  
3 interesting IT approaches to giving the right information  
4 to the right -- to potential purchasers at the moment of  
5 purchase in a very seamless way, so they can prioritize  
6 performance and efficiency and then really just decide.

7 And it turns out it doesn't have to cost much or if  
8 anything. Often those products are actually cheaper, but  
9 you just don't have transparency in the marketplace.

10 So they're doing some really amazing things and  
11 actually have a lot of traction with the utility programs  
12 and across the country, actually, not just in California.  
13 So that was really excellent.

14 And then I just wanted to highlight the DR  
15 workshop we had yesterday, which I really enjoyed with IEPR  
16 and just thank the IEPR staff for that. Plus a little bit  
17 extra credit is buried in on that one, because it wasn't  
18 originally in the scope. So I appreciate their putting it  
19 together. So anyway, thanks.

20 COMMISSIONER DOUGLAS: Just a couple brief  
21 reports. I just glanced at my calendar to make sure I  
22 wasn't missing anything. And no, I've been spending most  
23 of the last two weeks in either IEPR or Siting events, I  
24 think more than two weeks.

25 But I did have an opportunity to meet with the

1 Mandela Fellows, as I mentioned earlier. It was really a  
2 lot of fun and it was such an impressive group. They had a  
3 really diverse set of Fellows from different backgrounds, a  
4 lot of public sectors and private sectors and academics and  
5 non-profit. And very knowledgeable and very focused and  
6 had a lot of questions and a lot of insights, so that was  
7 just very fun.

8           There, I also had an opportunity to meet with  
9 some Australian journalists who were traveling through  
10 California and wanted to talk about California's Climate  
11 Change Policies in the Electricity Sector. And so that was  
12 quite a bit of fun, as well.

13           I'll just mention I've been making something of  
14 an effort to go to some of the IEPR workshops and I've been  
15 enjoying that. A lot of them have been not in my assigned  
16 Siting Lead Commissioner area. And it's just going through  
17 these series of workshops on all these different topics is  
18 definitely making me realize that while we do learn a lot  
19 by osmosis here, staying kind of caught up in all these  
20 different areas is no easy feat. And so, getting caught up  
21 or staying caught up and so it's actually been very  
22 helpful.

23           So, those are my updates.

24           COMMISSIONER HOCHSCHILD: Thanks. Yeah, for  
25 whatever reason the last six months have felt like the

1 busiest I've had since I've started in, so I was really  
2 excited for vacation. And I went to Maine to a place that  
3 had ample supply of lobster and terrible cell phone  
4 coverage, which turns out to be great ingredients for a  
5 good vacation. I really did unplug. So I'm back and  
6 recharged.

7           Before you left it, I just actually wanted to  
8 note Rob will be retiring next month. We'll do a formal  
9 send off for your next month. But I wanted to just say a  
10 few Rob, because I have absolutely loved working with you.  
11 You have operated with integrity and intelligence and  
12 foresight and diplomacy and really just exhibited all the  
13 skills one would hope for and more in an Executive Director  
14 of the Energy Commission.

15           I just watched your good judgement of bringing in  
16 leaders in the different divisions, all the benefits that  
17 have flowed from that, both within my division and just  
18 watching Laurie ten Hope and all the other good folks  
19 you've brought on to the team. And I especially want to  
20 acknowledge the Chair for helping lead the effort to bring  
21 you on board. During your tenure here it's just been an  
22 amazing chapter I think, in the Commission's history and  
23 presenting many, many benefits for the state as a whole.

24           So I've just -- I've been really honored to serve  
25 with you. We'll do a more formal setup next meeting. But

1 I wanted to just be the first to say, "Congratulations."

2 On my plate I finished -- I did visits with every  
3 member of the Legislature who's on the Energy Committees in  
4 both Houses, with Barry and Emilio in many cases. And  
5 those were super-fruitful, just checking in about their  
6 priorities and making them aware of what we're working on  
7 in our Division. And those fact sheets, I think Kevin  
8 played a real role in presenting those, which is super  
9 helpful. There's some very basic information about what we  
10 do that's not known and that was really fruitful.

11 We're also working with Commissioner Douglas on  
12 two renewable areas of need right now. One is around wind  
13 repowers, where the current system -- wind repowers are  
14 actually treated like greenfield projects, and they have to  
15 pay extra fees even though a wind repower, by definition,  
16 you're reducing the amount of land that's impacted, that  
17 you're increasing renewable generation, you're reducing  
18 bird kill. In many cases you're reducing, also, roads.  
19 And but yet we charge a penalty through -- on some of the  
20 fees. So, we have a meeting on that.

21 And then a similar challenge in some of the solar  
22 projects that Commissioner Douglas and I are meeting with  
23 some of the stakeholders on tomorrow.

24 I also wanted to share SAFE-BIDCO. We've had a  
25 seat at the Energy Commission on the SAFE-BIDCO Board for I

1 think since inception. The Chair has held that, and  
2 Commissioner McAllister and I have been doing that for the  
3 last few years and that's going to be wrapping up. SAFE-  
4 BIDCO's going to be given a directive to shut down for  
5 financial insolvency.

6 And then the next guest speaker we have that  
7 might be of interest to some of you is Julia Levin, former  
8 Energy Commissioner, who has been running the Bioenergy  
9 Association is going to come give an overview on bioenergy  
10 on August 17th.

11 And I think that's it for me.

12 CHAIRMAN WEISENMILLER: Thanks. Well, yeah, I  
13 managed to take a vacation too. I went further than Maine,  
14 although frankly the cell coverage is decent in Sweden,  
15 Norway and Denmark although it's quite expensive as is  
16 everything in those areas. But using your domestic phone  
17 is not a good idea. The Wi-Fi is pretty ubiquitous there.  
18 But it was lovely.

19 I mean, it was really -- I was going to say a  
20 break from energy. But I would note that in terms of this  
21 time of the year the sun rises at 4:00 a.m. and sets around  
22 11:00 p.m. But on the converse I would not recommend being  
23 there in say December, I would think. But anyway, it was  
24 good. I'm certainly back at the stage (indiscernible)  
25 highlight this.

1           The Stanford event, we went with Emilio and Alana  
2 and met with Stanford. We did a trade mission there and  
3 was looking at another trade mission this fall. And part of  
4 what we really discovered in China, where we did a trade  
5 mission with GO-Biz, that we did a similar reunion, in part  
6 to get feedback. And at least in the China context the  
7 feedback from the business participants was -- I mean,  
8 you're AES, (phonetic) you're going into this meeting back  
9 and forth with businesses.

10           And we had gotten pretty much who was coming and  
11 who was going to be there. And you walked in this room and  
12 it was like 30 Chinese companies. You've got no background  
13 beforehand of who they are. We had insufficient  
14 translators. So anyway, to the extent you're AES trying to  
15 really build your supply chain it's like which of these 30  
16 entities do you really have -- wanting to know in advance,  
17 so you could try to set up and say out of the 30, I've  
18 really got to talk to these 5. And these 5 might be  
19 useful.

20           And a little bit more structured like I said,  
21 then suddenly being mobbed and then realizing you can't  
22 understand anyway, so -- well, at least some of them. Some  
23 of them obviously speak better English than you and I, but  
24 you know, so basically trying to get that sort of feedback.

25           And thinking back on the Mexico trip again, we

1 had a lot of meetings with folks. But again our company  
2 didn't know in advance who was going to be at those  
3 meetings. I think we were probably fine on the translator  
4 part. But again it just makes everything a little bit more  
5 productive, a little bit less -- in terms of information  
6 symmetry, at least trying to have our people have more of  
7 an even deck there.

8 But the challenges, obviously you could --  
9 probably looking more at David, as the ones more likely to  
10 be -- yeah, you could spend months in Mexico hitting  
11 province after province. But the reality is a trip  
12 complexity and everything else, just trying to figure out  
13 what the key priorities are. And realizing, somehow trying  
14 to balance the more academic component, the more policy  
15 component, the more business components, is at least going  
16 to be interesting, shall we say.

17 And certainly, Stanford was also relatively  
18 clear. The last time they were brought in relatively late.  
19 It was two stops, relatively complicated logistics to pull  
20 off. And so, obviously as you start tracking about three  
21 or four or -- when we did China with the Governor, the  
22 first time we hit multiple tracks. Again, you suddenly can  
23 get into scheduling overload.

24 But anyway, that will be something to sort out in  
25 the next couple of weeks. Anyway, I think that's it for

1 me.

2 Let's go on to Chief Counsel's Report.

3 MS. VACCARO: This is just a reminder we will  
4 have a Closed Session today. And the Chair will tee up  
5 what the items are before we exit.

6 CHAIR WEISENMILLER: Right, yeah. Executive  
7 Director's?

8 EXECUTIVE DIRECTOR OGLESBY: Thank you Chair and  
9 Commissioners. First, let me thank Mr. Hochschild for his  
10 kind words about my departure coming up and confirming that  
11 I will be retiring from state service. And my last day as  
12 Executive Director will be the 29th of September. And it's  
13 been a pleasure and we'll talk about it more later. I'm  
14 sure I have one more Commission meeting ahead.

15 I wanted to just take a few minutes and do a high  
16 level and very brief review of our budget. We've just  
17 entered a new fiscal year and our budget was approved by  
18 the Legislature and signed by the Governor. And at a high  
19 level I want to say that it's been a real positive  
20 experience to go through the Budget Process. Increasingly  
21 slow in recent years. And this year, in particular it was  
22 an opportunity to review our activities, provide briefings  
23 and update to the Legislature in the Subcommittee Process.  
24 And the Budget Committee Process was really a positive  
25 experience.

1           And it was an opportunity to educate the members  
2 of the Legislature on the programs we have and the progress  
3 that we've made as they've requested updates in various  
4 areas.

5           And the outcome reflected the confidence of the  
6 Administration as well as the Legislature. And in our  
7 programs and our goals and our priorities, at the end of  
8 the day we had our resources augmented by 16 positions in  
9 various priority program areas. Among them are 8 more  
10 positions to help implement SB 350. A additional position  
11 to our Efficiency Division to help implement SB 1414, which  
12 relates to developing a plan on how to deal with a  
13 compliance of air conditions, HVAC systems and heat pumps,  
14 which are enormous energy users in homes. By saying how we  
15 can make sure that complying products -- and the best  
16 strategy to get compliant projects in the marketplace and  
17 implemented, installed.

18           We also were able to augment our Power Source  
19 Disclosure Program, the regulations that'll make it  
20 transparent to consumers about the carbon intensity and  
21 sources of energy on their electricity bills by one  
22 position.

23           And I'm also particularly proud to say that we  
24 were able augment by three positions our Enforcement and  
25 Compliance Program for Appliances. As Commissioner

1 McAllister noted, plug load is an extremely important, and  
2 indeed, challenging portion of our energy efficiency  
3 equation and to reduce the waste of energy in homes.

4           And we've discovered through the implementation  
5 of this program that there's a great deal of non-complying  
6 product out there in the marketplace. And the marketplace  
7 had not been rigorously enforced. And through the efforts  
8 of our startup operation of an enforcement we've been able  
9 to gain quite a bit of compliance, including companies that  
10 have self-reported and sought to work out corrective plans  
11 for non-compliant products. As well as a fair share of  
12 products that we've investigated and began to supervise.

13           But as a result, we're going to get more --  
14 consumers can expect to get what we anticipated we'd get  
15 when we set efficiency standards. It saves not only money,  
16 but will save energy and environmental consequences of  
17 wasted energy.

18           We also have been able to take in-house the  
19 registry of eligible solar equipment listings, both panels  
20 and inverters. This is something that we've done by  
21 contract previously. We've gained three PYs to do that, do  
22 it better. And it's important to point out that this is a  
23 program that other states rely on heavily, because of  
24 California's listing of eligible solar equipment, saying  
25 that it meets -- verifying that it meets certain basic

1 performance standards.

2           Commissioner McAllister remarked on one of the  
3 changes that's significant in the budget trailer bill on  
4 the Prop 39 Program. I think there are a number of  
5 operational improvements that we needed, statutory changes  
6 that'll help us deliver the services under that program.  
7 And as well as a methodology to repurpose some of the funds  
8 that may not be up-taken by all of the school districts.  
9 There's varying levels of participation. It's been a  
10 successful program, but we needed a way to redeploy  
11 resources that would not possibly at the end of the program  
12 be used by all of the school districts that are out there  
13 and LEAs.

14           But among those, a new program will be a \$75  
15 million program to upgrade school buses, aging school  
16 buses, which can be a health threat. And actually, even  
17 the older school buses do not have all the safety equipment  
18 that have been mandated in subsequent years. So, the  
19 Energy Commission has previously run school bus programs.  
20 And I'm happy to announce that we've got some funding to  
21 continue that good work and for that important reason.

22           And finally, I have reported to the Commissioners  
23 frequently that one of our challenges has been for our main  
24 funding source, ERPA. Our responsibilities have grown and  
25 partially due to our own success in our programs the

1 revenues have not grown. The revenues are based on a  
2 surcharge on electricity retail sales. We're working  
3 against ourselves in a sense, because behind-the-meter-work  
4 and the efficiency work, doesn't boost our bottom line  
5 although it's a good goal and is evidence of the  
6 accomplishment of our mission. But this year's budget also  
7 included a number of actions that we are taking to correct  
8 the imbalance, and in this case, by more \$15 million.

9           It included some belt tightening and redeployment  
10 of resources. But one of the more significant reforms was  
11 the support of our Fuels and Transportation Division staff  
12 that works on the ARFVTP Program to be supported instead of  
13 electric surcharges, but by motor vehicle-related fees that  
14 are otherwise used in the program. So it's an appropriate  
15 shifting of the support of our Fuels and Transportation  
16 Program to transportation-related funds and is an  
17 appropriate tie to the nexus of those funds. But it backs  
18 off pressure to the ERPA Fund.

19           We also -- there are a number of other pieces to  
20 the puzzle that were put in to add up to \$15 million, but  
21 we have a challenge that remains. As Commissioner  
22 McAllister alluded to, the continuation of Prop 39, which  
23 is supported by ERPA continues the pressure of that fund to  
24 support those activities.

25           There is a number of -- the Legislature is in

1 recess now. They're going to return and they're going to  
2 do some cleanup. That may help some of our funding. But  
3 one of the key elements of this year's budget was a  
4 requirement by the Legislature to return with the  
5 Governor's Budget in January and come up with an assessment  
6 of what the imbalance is and some options and a  
7 recommendation on how to address the imbalance.

8           Of course, that involves working with the  
9 Governor's Office and the Department of Finance. And that  
10 will be part of the Governor's Budget in the fall. But I  
11 wanted to highlight that requirement to continue to develop  
12 a plan on how to address the imbalance.

13           And that's all I have today.

14           COMMISSIONER HOCHSCHILD: Could I just ask one  
15 quick question? We've had these successes of taking  
16 programs that were previously outsourced like New Solar  
17 Homes, Partnership Administration, Eligible Equipment List,  
18 etcetera. And then bring them in-house and do them faster,  
19 better, cheaper. Are there other opportunities you see for  
20 us to do that and save the Commission money?

21           EXECUTIVE DIRECTOR OGLESBY: You know, it cuts  
22 both ways. As we look -- and we're going through a very  
23 fine-grained work plan process right now for the upcoming  
24 year -- and it's painful for staff and the division  
25 managers, because we're looking at it more intensively,

1 asking the fundamental questions about all of our programs,  
2 including those that we contract out for.

3           And as we go forward and develop our plan we're  
4 looking at opportunities to -- and evaluate opportunities  
5 to bring other programs in-house. There aren't that many.  
6 We hit some of the good ones that were ripe for that right  
7 now. But we'll continue to look at opportunities for that.

8           But also we'll look for shifts in workload that  
9 may lend themselves to using a contractor if it's something  
10 where it doesn't make sense to carry the overhead for  
11 occasional work. So it's going to go both ways, but we'll  
12 at least evaluate it with an eye towards going both ways.

13           In general, however whenever we can accomplish  
14 things in-house for less money, have more responsiveness to  
15 our stakeholders group and deliver better services we try  
16 to find and have already implemented that in several areas.  
17 So we've got a good track record on that. and that'd be  
18 goal number one.

19           CHAIRMAN WEISENMILLER: Thanks. I think it's  
20 important to again thank you for your activities on the  
21 budget stuff, get to where we got to, understand that we  
22 have some outstanding issues. Hopefully in your remaining  
23 time you can help us try to resolve some of those. I know  
24 you've been trying to get the attention of the appropriate  
25 higher sources.

1           So anyway so thanks again. We'll take more the  
2 next time, I'm sure.

3           Public Adviser Report?

4           MS. MATHEWS: Good afternoon. I have just four  
5 quick things I want to highlight. First, I want to  
6 introduce Julia Herrera and Tyler Mill-Goldsive, (phonetic)  
7 the two interns to the Public Adviser's Office. And I just  
8 wanted to thank Julia, who's very instrumental on the  
9 Summer Institute and helping also with our AB 865 work as  
10 well on some research that we're doing. So I want to thank  
11 her before she leaves. This is her last business meeting  
12 for her work. And then you all will probably see Tyler  
13 around more, because he's going to be our -- staying on  
14 through the fall.

15           The second thing I want to highlight, I had the  
16 opportunity to join the CPUC. They had a special en banc  
17 for disadvantaged communities. And I had an opportunity to  
18 share and answer the questions regarding how more  
19 government agencies can reach out and serve a disadvantaged  
20 community as we plan and prepare and implement energy  
21 equity into all of our energy policies and programs.

22           I also had an opportunity to speak with and share  
23 with the Mandela Fellows. And that was a great experience,  
24 as well.

25           And then the last thing I will just share is that

1 tomorrow -- Saturday, I apologize -- there is a "Our Power  
2 Event." And so I will be attending on behalf of the Energy  
3 Commission. It's sponsored by a couple of community  
4 environmental justice and equity groups, advocacy groups to  
5 the community, so we'll have an opportunity to share about  
6 our funding programs as well as the new initiatives,  
7 including SB 350 implementation and how we're trying to  
8 reach out to disadvantaged communities.

9 That's it. Thank you.

10 CHAIRMAN WEISENMILLER: Thank you. I wasn't  
11 here, but my understanding was Alana was going to help a  
12 lot on the Mandela Event, Alana Sanchez. So again, I  
13 think, let's give her a shout-out.

14 MS. MATHEWS: Yes, she did an excellent job. And  
15 a lot of people have been thanking me. And I have to  
16 continue to tell them it was Alana Sanchez. I did not put  
17 that together.

18 CHAIRMAN WEISENMILLER: Thanks, anyway.

19 MS. MATHEWS: She did an excellent job.

20 CHAIRMAN WEISENMILLER: Again, Public Comment?

21 (No audible response.)

22 CHAIRMAN WEISENMILLER: So on that note let me  
23 find the right piece of paper. "Pursuant to Governor Code  
24 section 1126(e), the Commission will go into Closed Session  
25 for a conference with Legal Counsel on the following items

1 under -- following two items under Agenda Item 15, Energy  
2 Commission versus SoloPower, Inc. and SPower, LLC. And  
3 Alternative Renewable Fuel and Vehicle Technology Program  
4 Grant ARV 10-016, with the City of San Jose, including its  
5 sub-contractor JUM Global and the lawsuit between the two."

6 The Commission will return to Open Session at,  
7 I'm going to say about 1:30, so we'll be back.

8 (Closed Session at 12:28 p.m.)

9 (Returned to Open Session at 1:55 p.m.)

10 CHAIRMAN WEISENMILLER: Good afternoon, the  
11 Commission is back in session and Commissioner Douglas and  
12 Commissioner Scott are with me.

13 I'd like to announce the Commission has  
14 authorized Chief Counsel to take all necessary steps to  
15 obtain all funds the Commission is owed under Agreement ARV  
16 0016, including initiation of litigation.

17 MS. VACCARO: I believe it's one zero.

18 CHAIRMAN WEISENMILLER: Oh, I believe it is. ARV  
19 10-016, but anyway it was owed under Agreement ARV 10-016  
20 with the City of San Jose, including the sub-contra JUM  
21 Global and to take all actions, including initiation of  
22 litigation.

23 This meeting is adjourned.

24 (Adjourned at 1:56 p.m.)\_

25

**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 17th day of August, 2017.



---

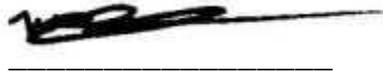
Eduwiges Lastra  
CER-915

**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 transcriber and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

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

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of August, 2017.



---

Myra Severtson  
Certified Transcriber  
AAERT No. CET\*\*D-852