<table>
<thead>
<tr>
<th><strong>Docket Number:</strong></th>
<th>18-BUSMTG-01</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Title:</strong></td>
<td>2018 Business Meeting Transcripts</td>
</tr>
<tr>
<td><strong>TN #:</strong></td>
<td>222386</td>
</tr>
<tr>
<td><strong>Document Title:</strong></td>
<td>Transcript of 01/17/2018 Business Meeting</td>
</tr>
<tr>
<td><strong>Description:</strong></td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Filer:</strong></td>
<td>Cody Goldthrite</td>
</tr>
<tr>
<td><strong>Organization:</strong></td>
<td>California Energy Commission</td>
</tr>
<tr>
<td><strong>Submitter Role:</strong></td>
<td>Commission Staff</td>
</tr>
<tr>
<td><strong>Submission Date:</strong></td>
<td>1/29/2018 9:58:33 AM</td>
</tr>
<tr>
<td><strong>Docketed Date:</strong></td>
<td>1/29/2018</td>
</tr>
</tbody>
</table>
BUSINESS MEETING
BEFORE THE
CALIFORNIA ENERGY COMMISSION

In the Matter of: )
) 18-BUSMTG-01
Business Meeting )
_______________________________)

CALIFORNIA ENERGY COMMISSION
THE WARREN-ALQUIST STATE ENERGY BUILDING
ART ROSENFELD HEARING ROOM - FIRST FLOOR
1516 NINTH STREET
SACRAMENTO, CALIFORNIA 95814

WEDNESDAY, JANUARY 17, 2018
10:00 A.M.

Reported by:
Peter Petty
# APPEARANCES

**Commissioners**

Robert Weisenmiller, Chair  
Karen Douglas  
Janea Scott  
Andrew McAllister

**Staff Present: (* Via WebEx)**  
Drew Bohan, Executive Director  
Kourtney Vaccaro, Chief Counsel  
Courtney Smith, Chief Deputy Director  
Eunice Murimi, Public Adviser's Office  
Cody Goldthrite, Secretariat  
Linda Barrera, Staff Attorney

**Agenda Item**

<table>
<thead>
<tr>
<th>Name</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leonidas Payne</td>
<td>2</td>
</tr>
<tr>
<td>Jared Babula</td>
<td>2</td>
</tr>
<tr>
<td>Ryan Nelson</td>
<td>3</td>
</tr>
<tr>
<td>Shahid Chaudhry</td>
<td>4</td>
</tr>
<tr>
<td>Monica Rudman</td>
<td>5</td>
</tr>
<tr>
<td>Nelson Pena</td>
<td>6</td>
</tr>
<tr>
<td>Balraj S. Sandhu</td>
<td>7</td>
</tr>
<tr>
<td>Reta Ortiz</td>
<td>8</td>
</tr>
<tr>
<td>Tanner Kural</td>
<td>9</td>
</tr>
<tr>
<td>Cyrus Ghandi</td>
<td>10</td>
</tr>
<tr>
<td>Jacob Orenberg</td>
<td>11</td>
</tr>
<tr>
<td>Larry Rillera</td>
<td>12</td>
</tr>
<tr>
<td>Taiying Zhang</td>
<td>13</td>
</tr>
<tr>
<td>Phil Cazel</td>
<td>15</td>
</tr>
<tr>
<td>Michael Sokol</td>
<td>16</td>
</tr>
</tbody>
</table>

**Others Present (* Via WebEx)**

**Interested Parties**

<table>
<thead>
<tr>
<th>Name</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andrew Martinez, CARB</td>
<td>15</td>
</tr>
<tr>
<td>Frank Ramirez, GO-Biz</td>
<td>12</td>
</tr>
<tr>
<td>*Harry Simpson, Crimson Renewable Energy</td>
<td>13</td>
</tr>
<tr>
<td>Gia Vacin, GO-Biz</td>
<td>15</td>
</tr>
<tr>
<td>Joel Ewanick, FirstElement Fuel</td>
<td>15</td>
</tr>
</tbody>
</table>
Public Comment(* Via WebEx)

Bill Elrick, California Fuel Cell Partnership 1, 15
Jay Friedland, Zero Motorcycles 11
*Thomas Lawson, California Natural Gas Vehicle 11 Coalition
*Andrew Martinez, California Air Resources Board 15
*Matt McClory, Toyota Motor North America 15
*Stephen Ellis, American Honda Motor Company 15
INDEX

Proceedings

Page

8

Items

1. CONSENT CALENDAR
   a. LOS ANGELES DEPARTMENT OF WATER & POWER (LADWP) PETITION FOR CORRECTION TO TRANSCRIPT
   b. PACIFIC GAS & ELECTRIC'S (PG&E) REQUEST TO USE THE DATA COLLECTION AND ANALYSES COMPLIANCE OPTION
   c. PACIFIC NORTHWEST NATIONAL LABORATORY
   d. GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT
   e. UNIVERSITY OF CALIFORNIA, BERKELEY, ENERGY INSTITUTE AT HAAS SCHOOL OF BUSINESS
   f. VERDEXCHANGE
   g. MEMBERSHIP IN THE CALIFORNIA FUEL CELL PARTNERSHIP (CAFCP)

2. ENERGY COMMISSION COMMITTEE APPOINTMENTS
   a. MCLAREN BACKUP GENERATING FACILITY (17-SPPE-01)

3. ORDER INSTITUTING RULEMAKING PROCEEDING (17-AAER-05)

4. CITY OF BIG BEAR LAKE, DEPARTMENT OF WATER & POWER

5. CITY OF SANTA CRUZ

6. ALPAUGH UNIFIED SCHOOL DISTRICT

7. SEQUOIA UNION HIGH SCHOOL DISTRICT
8. THE NATIONAL ACADEMIES OF SCIENCES, ENGINEERING, AND MEDICINE 23
9. SOUTHERN CALIFORNIA EDISON 27
10. SAN FRANCISCO STATE UNIVERSITY 29
11. INVESTMENT PLAN UPDATE FOR THE ALTERNATIVE AND RENEWABLE FUEL AND VEHICLE TECHNOLOGY PROGRAM 32
12. CALIFORNIA STATE UNIVERSITY LONG BEACH 44
13. CRIMSON RENEWABLE ENERGY LP 47
14. SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT Held
15. SOUTHERN CALIFORNIA EDISON 50
   a. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV17-015
   b. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV17-016
   c. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV17-017
   d. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV17-018
16. DISCUSSION OF ENERGY COMMISSION PROGRESS RE: IMPLEMENTATION OF THE CLEAN ENERGY AND POLLUTION REDUCTION ACT OF 2015 (SB 350) 61
17. Minutes 65
18. Lead Commissioner or Presiding Member Reports 65

19. Chief Counsel's Report 77


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. Electricore, Inc. and ZeroTruck (Sacramento County Superior Court #34-2016-00204586)*

e. *Helping Hand Tools and Robert Simpson v. Energy Commission (San Francisco Superior Court Case #CPF-17-515576)*


g. *Energy Commission v. United States Department of Energy (Federal District Court, Northern District of California, #17-cv-03406)*

h. *City of Los Angeles, acting by and through, its Department of Water and Power v. Energy Commission (Los Angeles Superior Court, Case No. BS171477)*

Pursuant to Government Code section 11126(e), the Energy Commission may also discuss any judicial or administrative proceeding that was formally initiated.
initiation of litigation, or that constitute a significant exposure to litigation against the Commission, which might include:

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

b. 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]).
P R O C E E D I N G S

JANUARY 17, 2018

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

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

CHAIRMAN WEISENMILLER: Oh. Actually, things continue this way, so let's start with a minute of silence for the landslide victims.

(Whereupon, a moment of silence was observed.)

CHAIRMAN WEISENMILLER: Okay. For today's meeting Item 14 has been held. And let's start with the Consent Calendar although I think we have an announcement, then we'll split the Consent Calendar up.

COMMISSIONER SCOTT: So due to my participation as a member of the California Fuel Cell Partnership, I will be recusing myself on Item 1g.

CHAIRMAN WEISENMILLER: So let's take up all the Consent items except for g.

COMMISSIONER DOUGLAS: Move consent except for Item 1g.

COMMISSIONER SCOTT: Second.

COMMISSIONER MCALLISTER: Second.

CHAIRMAN WEISENMILLER: Well, okay. All those in
favor?

(Ayes.)

CHAIRMAN WEISENMILLER: So this item passes 4-0. Commissioner Hochschild is necessarily absent on travel, business travel. So this first item, Consent part then was 4-0. Let's deal now with g.

COMMISSIONER DOUGLAS: Move Item g.

COMMISSIONER MCALLISTER: Second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: So this item passes 3-0.

Since these are Consent items we're not taking public comment on this item, so let's go on to Item 2. I'll say I've just been told by the Chief Counsel we can take Consent -- we can take public comments on the Consent items. So --

MS. VACCARO: So I mean if a member of the public had something they want to say afterwards, I mean think if there is somebody here you can certainly allow them to speak.

CHAIRMAN WEISENMILLER: Sure, okay. Then Bill Elrick from Fuel Cell Partnership.

(Off mic colloquy.)

MR. ERLICK: I'll make it quick, because I had heard we couldn't speak on this. I just wanted to speak in
support of all the great work the CEC, the staff and the programs and everything from, I will say, supporting the partnership and being very active and adding all the needed input and value there. But also in there the activities supporting both PNNL (phonetic) and the Safety team, as well as GO-Biz Program. I can't say enough of how much these activities have helped launch the market. And really 2016 has been kind of the last one in, but we hope to grow the quickest. So I want to thank you and say great work on every (indiscernible).

CHAIRMAN WEISENMILLER: Okay. Thank you. I mean, certainly the Consent items are things we don't think are controversial but if they are then we will pull it out, but there seem to be more. Thank you. So anyway, thanks. Let's move on to Item 2.

MR. PAYNE: Good morning Chair, Commissioners. My name is Lon Payne. I am a Project Manager with the Siting Office. With me is Staff Attorney Jared Babula.

We're here today to present a proposed order appointing a siting committee to oversee a Small Power Plant Exemption proceeding for the McLaren Backup Generating Facility. Applicant Vantage Data Centers filed its SPPE Application on December 26, 2017 seeking the exemption from the California Energy Commission's power plant licensing requirements.
The McLaren Backup Generating Facility consists of 48 diesel-fueled generators to provide backup generation for the McLaren Data Center being constructed in Santa Clara, California.

Thank you. And we'd be happy to answer any questions you may have.

CHAIRMAN WEISENMILLER: First, is there any comments from the Applicant?

(No audible response.)

Let's go on. Are there any comments from anyone in the room?

MR. BABULA: Let me just -- this is Jared Babula, Staff Counsel. The Applicant is represented by Mr. Scott Galati and he wanted me to inform the Commission that he's on this case. He's unavailable. He's in London right now and he was going to try to call in, but apparently he wasn't able to get through. So I just wanted to convey his message that he's working on this case. Thanks.

CHAIRMAN WEISENMILLER: Okay. Thank you.

Any comments from anyone on the phone?

(No audible response.)

Okay. Then let's transition to the Commissioners, any comments on this application?

So I'm going to point in a -- well, I guess we have two steps. One will be a vote on accepting the
application and then a committee. In terms of the
committee, I'm going to appoint Commissioner Douglas as the
Lead and Commissioner Scott as the Second Member.

    COMMISSIONER DOUGLAS: So I'll move --

    CHAIRMAN WEISENMILLER: Let's deal with them in

sequence.

    COMMISSIONER DOUGLAS: Sure. I'll move to accept

the application.

    COMMISSIONER SCOTT: Second.

    CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

    CHAIRMAN WEISENMILLER: So that passes 4-0.

    COMMISSIONER DOUGLAS: And I'll move to establish

a committee for this case consisting of myself as the

Presiding Member and Commissioner Scott as the Associate

Member.

    COMMISSIONER MCALLISTER: I'll second.

    CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

    CHAIRMAN WEISENMILLER: So that also passes 4-0.

Thank you.

    Let's go on to Item 3.

    MR. NELSON: Good Morning Chair and

Commissioners. I'm Ryan Nelson, a Mechanical Engineer with

the Appliances and Outreach and Education Office in the
Commission's Efficiency Division.

(Microphone cuts out.)

UNIDENTIFIED SPEAKER: (Off mic) (indiscernible)

MR. NELSON: Can I start over?

UNIDENTIFIED SPEAKER: Yes.

MR. NELSON: Okay, with me is Linda Barrera with the Chief Counsel's Office.

Staff is proposing an Order Instituting Rulemaking to consider amendments to the Appliance Efficiency Regulations. The Commission would consider establishing efficiency standards, test procedures, marking requirements, and certification requirements for the following appliances:

• Commercial and industrial fans and blowers;
• Compressors, including air compressors;
• Hearth products such as natural gas fireplaces;
• High color rendering index linear fluorescent lighting;
• Portable air conditioners; and
  • Uninterruptable power supplies.

The U.S. Department of Energy does not currently regulate commercial and industrial fans and blowers, compressors, hearth products, portable air conditioners and uninterruptable power supplies.

The DOE considered minimum energy performance standards for commercial and industrial fans and blowers,
compressors, hearth products, portable air conditioners and
uninterruptable power supplies, but never completed the
rulemaking process for these appliances. However, as part
of the process, the DOE completed extensive research for
each appliance, which showed significant energy savings is
available.

The California energy savings analysis would rely
heavily upon the U.S. DOE research and data. This will
allow the rulemaking process to proceed quickly to capture
the energy savings for California.

High color rendering index or CRI linear
fluorescent lighting is currently exempt under the U.S. DOE
minimum energy performance standards. This exemption
allows less efficient T12 linear fluorescent lamps for sale
if they have a CRI of 87 or higher. This exemption could
also apply to other linear fluorescent lamps in the future,
reducing the realized energy savings. Eliminating this
exemption in California will ensure the full energy savings
are captured.

The proposed amendments to the Appliance
Efficiency Standards would save California a significant
amount of energy.

Staff asks the Commission issue the Order
Instituting Rulemaking to publicly notice stakeholders of
the intent to analyze the above appliances as amendments to
CHAIRMAN WEISENMILLER: Great.

Any comments from anyone in the room? Anyone on the line?

(No audible response.)

CHAIRMAN WEISENMILLER: Commissioner McAllister?

COMMISSIONER McALLISTER: So thanks, Ryan, I appreciate that. This is pretty straightforward and I guess the context is just that, as we all know, the Department of Energy has pulled back on much of its activity on developing new standards. And it was basically projected that they're not planning to move forward on some of these. And these are just very clear opportunities where we are not preempted and that we can step in and harvest some savings and certainly there are other states where they're interested in now doing that as well, that they would look to adopt these standards, some of our other ones that we already have going forward.

And in particular, just a little more color on the lighting one, pardon the pun. Back in the day there were lots of T12s and CRI was hard to get with florescent and so they exempted the really high CRI lamps, because they were specialty lamps. Today, we have technologies that really make it easy to get high CRIs and so it's a much bigger chunk of the market. And yet it is exempted...
from federal regulation and so we're going to step in and fix that. So that's the overall context. I'm obviously very supportive of this and really looking forward to getting this next tranche of standards moving forward.

All right, so I'll move Item 3.

COMMISSIONER DOUGLAS: Second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: Item 3 passes 4-0. Thank you.

Let's go on to Item 4.

MR. CHAUDHRY: Good morning Mr. Chair and Commissioners. I am Shahid Chaudhry with the Local Assistance and Financing Office of the Energy Efficiency Division.

I'm here to request your approval for a $1,441,000 ECAA loan at 1 percent to the City of Big Bear Lake, Department of Water & Power. The Department will use these funds to install 275 kilowatts solar PV systems to power five water wells at their Division's well field.

On completion, the project will generate about 459,000 kilowatt hours annually, bringing grid electricity consumption at this site to almost zero. That will save the Department about $136,600 in utility costs every year.

Based on the loan amount, the simple payback is 8 1/2, almost 8 1/2 years.
The loan request fulfills requirements of the ECAA loan program. I therefore recommend and request your approval of this item. I'm available to answer any questions, you may have. Thank you.

CHAIRMAN WEISENMILLER: Thank you.

First, any comments from anyone in the room?

Anyone on the line?

(No audible response.)

Then let's transition to the Commissioners, Commissioner McAllister?

COMMISSIONER MCALLISTER: Yeah, this is one on one line of good projects, so thanks Shahid for that description. And you'll note that the payback times for PV are getting ever shorter, so that's pretty amazing what the market place is doing. Hopefully that keeps up, whatever happens at the federal level. So I'll move Item 4.

COMMISSIONER SCOTT: Second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: Item 4 passes 4-0.

MR. CHAUDHRY: Thank you. Thanks.

CHAIRMAN WEISENMILLER: Thank you.

Let's go on to Item 5.

MS. RUDMAN: Good Morning, my name is Monica Rudman. I'm with the Local Assistance and Finance Office...
of the Efficiency Division. And I'm here to request your approval of Item Number 5, specifically Amendment 3 to ECAA Loan Number 002-15-ECD granted to the City of Santa Cruz.

The Energy Commission executed this loan in August 2015 to finance installation of a variety of energy efficiency measures at 13 city-owned buildings, as well as various streets. Currently, over 75 percent of energy efficiency measures approved in the loan agreement are either complete, in design, or under way. The City of Santa Cruz expects to complete installation of the project by May 1st, 2018.

The City of Santa Cruz would like to increase the budget of the Comprehensive Mechanical System Upgrade at the City Hall Annex from $389,522 to $531,000. They have received proposals with construction costs higher than initially budgeted. Also, updated California building codes now require seismic improvements and configuring the equipment to be compatible with advanced controls.

In addition, the City requests that two energy efficiency measures be deleted from the scope of work. This is re-insulating the attic at Fire Administration and eliminating two exhaust fans serving the Council Chambers. These changes will increase the overall project cost to $1,416,238, a net change of $127,652. When the project is completed the annual energy consumption will be
reduced by an estimated 487,331 kilowatt hours and 11,844 therms, reducing annual energy bills by approximately $83,089. The simple payback of the amended project will increase from 15.4 years to 17 years.

The ECAA Loan Program allows for loan awards up to 3 million per applicant and requires repayment of the loan, both interest and principal, within 20 years. This is equivalent to projects having a simple payback of 17 years or less. The request meets the ECAA Loan Program requirements.

Thank you for considering this item. If you have any questions I'd be happy to answer them.

CHAIRMAN WEISENMILLER: Thank you.

Any comments from anyone in the room? Anyone on the phone?

(No audible response.)

CHAIRMAN WEISENMILLER: That's okay. Transition to Commissioner McAllister.

COMMISSIONER MCALLISTER: Yeah, so I definitely support this change. It kind of reflects the world we live in and realities of not knowing everything until you actually do a project. Certainly, I think this continues to be a good project, very interested in getting mechanical projects, system upgrade projects scaled up. So hopefully we can learn something from this project and I know the
City has historically done a good job with these projects.
So I appreciate the update, Monica.

So I'll move this item.

COMMISSIONER DOUGLAS: Second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: This passes 4-0. Thank you. Let's go on to Item 6. Good morning.

MR. PENA: Good morning Chairman and Commissioners. My name is Nelson Peña of the Local Assistance and Financing Office in the Efficiency Division.

Today, I am requesting approval of an Energy Conservation Assistance Act also known as the ECCA Loan to the Alpaugh Unified School District. This application is for a $2.1 million ECAA-Ed funded loan to implement the installation of four separate fixed-axis solar photovoltaic electric generation systems, at its District-owned school.

The loan will fund four separate photovoltaic canopy array systems over existing parking lots for a total of 410.4 kilowatts of Alpaugh Unified School District. The photovoltaic systems combined are expected to produce approximately 656,024 kilowatts per hour of electricity annually for the District and the District will save over 131,205 annually.

The photovoltaic systems will be on District-
owned land and the Solar Investment Tax Credit is not applicable.

Energy Commission staff has determined that this loan is technically justified. And based on the loan amount, and the calculated simple payback for this loan will be approximately 16.1 years, which is within the 20-year payback period requirement for the loan program and is within the 20-year effective useful life of the solar photovoltaics' performance.

With this information, I request your approval at this time by the Alpaugh Unified School District. And I am happy to answer your questions that you may have. Thank you.

CHAIRMAN WEISENMILLER: Thank you. First is there any comments from anyone in the room? Anyone on the line?

(No audible response.)

CHAIRMAN WEISENMILLER: And then again we'll transition to Commissioner McAllister.

COMMISSIONER McALLISTER: So thanks, Nelson. I guess I'll just point out this highlights the importance of a tax credit. You know, when you don't have tax liability, you can't take it so you do have higher costs. But even so, they've chosen to own it. And I think that we've seen that with a lot of schools that they really
choose to own the -- to make a capital investment instead of a long-term contract or a lease.
So I'm supportive of that position and would move Item 6.

COMMISSIONER DOUGLAS: I second.

CHAIRMAN WEISENMILLER: All those in favor?
(Ayes.)

CHAIRMAN WEISENMILLER: Item 6 passes 4-0. Thank you.

Let's go on to Item 7.

MR. SANDHU: Thank you and good morning Chair and Commissioners. My name is Balraj Sandhu. I'm a Mechanical Engineer, in the Efficiency Division, Local Assistance and Finance Office.

This item is a proposal to approve an Energy Conservation Assistance Act or ECAA loan in the amount of $2.2 million at zero percent interest, for the Sequoia Union High School District.

The District has requested this loan to fund the installation of 777 kilowatt DC, carport, canopy-mounted, fixed-axis, photovoltaic system, at the Woodside High School located in Woodside, California.

This project is estimated to generate 1,277,000 kilowatt hours of electricity annually and reduce the School District's yearly utility expense by $199,000.
Based on the loan amount, the simple payback for this project is 11.1 years. Staff has determined that the loan request complies with ECAA program requirements.

I respectfully request your approval for this item. Thank you. And I'm here to answer any questions you may have.

CHAIRMAN WEISENMILLER: Thank you.

Is there any comments from anyone in the room? How about on the line?

(No audible response.)

CHAIRMAN WEISENMILLER: Then I'm going to transition to Commissioner McAllister.

COMMISSIONER MCALLISTER: Yeah, really nothing new to add. These are just a group of good projects, so thanks for all your due diligence.

I'm going to move Item 7.

COMMISSIONER SCOTT: Second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: So this item also passes 4-0. Thank you.

Let's go on to Item 8.

MS. ORTIZ: Good morning, Commissioners. My name is Reta Ortiz. I'm from the Energy Research and Development Division's PIER Program Support Unit.
The proposed contract with the nonprofit National Academy of Sciences, Engineering and Medicine will develop a two-day workshop in Washington D.C., including expert panelists and decision makers from other states, feature results of the fourth California Climate Change Assessment and facilitate a broader discussion on climate preparedness.

As a leader in supporting cutting edge climate science, the State of California sponsored scientific studies for its fourth assessment to assess the impacts of climate change on California. The fourth assessment is led by the California National Resources Agency and the Energy Commission is Lead over energy-related research. The results of these studies will be available later this year and public events are planned in California to present the results.

The workshop in Washington D.C. will convene leaders from the scientific community, cities and states, to review the results from the fourth assessment and discuss best practices in applying science to local solutions to increase system resilience.

We request approval of this contract and I'm here to answer your questions.

CHAIRMAN WEISENMILLER: Thank you.

Any comments from anyone in the room? Anyone on
CHAIRMAN WEISENMILLER: I'm going to transition to the Commissioners and as Lead on R&D I'll talk about this one.

I think sort of first to make sure everyone knows, we're now in the glide path towards wrapping up the fourth climate assessment. And obviously, this is the fourth one. This has really been -- the climate assessments have been very foundational for California's science-based climate policy.

This one is bigger and better than before. You know, I think the last time we had about 35 studies lapped together and from about 30 different institutions in California. This time it's, I'm going to say, closer to 60. I'm looking at Drew to make sure, but --and about half of those are energy unique. About half of those are under natural resources, non-energy pieces, so it's really a significant project. It's really critical, given our focus on climate issues.

And the National Academy is in a -- I think it's obviously people know about the National Academy and how well respected it is. The current federal administration is, I won't say disdainful of science, so that they haven't really gotten much in the way of assignments, particularly...
on climate issues or resilience in the past year. So talking to them, what we really wanted to do was to highlight California's scientific results from the climate assessment in D.C. They will do an independent assessment of that. I mean just by their nature, they are the premiere science and technology group in the country. Obviously they're going to take an independent assessment and then it's an opportunity to publicize those results in Washington with key decision makers.

So I think this is a very good first step in deepening our relationship with the National Academy. And at the same time, I think it's a really important piece of the outreach associated with the fourth assessment. So I certainly encourage people to support this one.

COMMISSIONER McALLISTER: I have a quick question. Is this the extent of the funding or are we sort of partnering with other agencies, or what?

CHAIRMAN WEISENMILLER: We've reached out to different foundations and at this point people are sort of interested, but I can't say anyone has sort of stepped forward.

COMMISSIONER McALLISTER: Okay.

CHAIRMAN WEISENMILLER: So this is enough if other step forward, then we can expand the nature of what we're doing.
COMMISSIONER MCALLISTER: Our support us more likely to make that happen, I would imagine.

CHAIRMAN WEISENMILLER: Yeah.

COMMISSIONER MCALLISTER: Yeah, great.

COMMISSIONER DOUGLAS: I think it sounds really important and really good and I'll move approval.

COMMISSIONER MCALLISTER: I'll second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: So this passes 4-0.

Thank you.

Let's go on to Item 9.

MR. KURAL: Good morning Chair and Commissioners, my name is Tanner Kural with the Research and Development Division. I am requesting approval of a proposed federal cost share agreement with Southern California Edison, SCE, titled "Electric Access System Enhancement," referred to as the acronym EASE.

Under the EASE project, partially funded by the U.S. Department of Energy under their research grant program called ENERGISE, SCE will streamline their Distributed Energy Resource, DER, interconnection process and develop a real-time constraint management control system to allow for increased hosting capacity of DERs.

The DOE is contributing about 4.2 million to the project.
SCE is contributing a total of 4.4 million as match funds.

SCE will demonstrate their updated interconnection process and control system at the area surrounding one of their existing substations located in SCE service territory. This area will be used to demonstrate the system with a mix of residential and commercial DER assets, based on current and forecasted DER adoption.

Project objectives include enhancing control of high penetration distributed renewables in order to increase hosting capacity by 20 percent. Another goal is to reduce interconnection time for Solar PV. Currently, interconnection studies are performed manually and can take more than 60 business days. By automating the interconnection study and approval process, SCE aims to demonstrate a reduction in customer and commercial interconnection time for Solar PV under 250 kilowatts to be within five to ten days.

I ask for your approval of this project. I'm here to answer any questions. Thank you.

CHAIRMAN WEISENMILLER: Thank you. And comments from anyone in the room? Anyone on the phone?

(No audible response.)

CHAIRMAN WEISENMILLER: I guess again I'll
transition to talking -- take the lead on talking about
this since it is an R&D activity.

I think this is a really interesting one.

Obviously, one of the things we really focus on is sort of
leveraging our money. So to the extent we are leveraging
some federal funds here, it's important I think.

Certainly, the topics are good. I mean, God bless I
remember it was like three years for the interconnection of
the microgrid in Twentynine Palms or actually China Lake.
So anyway, certainly shortening the time on this stuff is
really important. And I'm certainly glad to see Edison
taking the lead on it.

Also, obviously when we started, we had a pretty
bad relationship with Edison on R&D. You know, I mean they
certainly took the lead in killing our R&D program. And at
this point under the leadership of President Ron Nichols
they've really rebuilt the relationship with us going
forward, so that's great. You know, so anyway...

COMMISSIONER MCALLISTER: That sounds good, so
I'll move Item 9.

COMMISSIONER DOUGLAS: I second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: This item passes 4-0. Thank you.

Let's go on to 10.
MR. GHANDI: Good morning, Chair and Commissioners. My name is Cyrus Ghandi. I'm with the Energy Efficiency Research Office R&D Division.

Today, staff is proposing approval of an interagency item with the San Francisco State University in the amount of $249,947. The purpose of this contract is to identify market-ready and advance natural gas saving technologies that will reduce energy costs, increase energy efficiency and reduce greenhouse gas emissions for California's food processing industry.

The Industrial Assessment Center at San Francisco State University was selected because of its past experience and subject matter expertise, having completed more than 500 assessments of industrial facilities to help us identify some of the key natural gas technology upgrade solutions for the near, mid and long term.

The food processing sector contributes over $82 billion to the state's economy and is a major user of natural gas. The industry faces unique challenges and San Francisco State study will help us to better understand the research needs for this industry.

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

CHAIRMAN WEISENMILLER: Thank you.

Is there any comments from anyone in the room?
How about on the phone?

(No audible response.)

CHAIRMAN WEISENMILLER: I'll transition to the Commissioners, and again as Lead on R&D I'll talk about this one.

The Energy Commission has been entrusted with implementing some I think $160 million of GDRF (phonetic) funds for food processors. And food processing, as indicated, agriculture is certainly one of our leading industries and so it's an important area. A lot of the food processing is not full time. But really the energy use is very much in the canning season or processing season, which makes it hard for them to really justify investments. And the notion is to really focus on investments, which can reduce the greenhouse gas emissions in a cost-effective fashion.

And it's fairly interesting San Francisco State has had such a lead role in this area for the Department of Energy, so we're leveraging off of the prior investments there.

So anyway, I think it's a pretty good project.

COMMISSIONER McALLISTER: So I totally agree with that. I mean I have some experience in industrial energy and efficiency and it really is -- there are processes that really are common across many, many industry types. But
then there're also production processes that are specific to given industries, and so you really do have to dig in and work with the industries very directly. And these industrial assessment centers that the Department of Energy has funded over the last couple of decades are really a key, just sort of patrimony for the country and, you know, are at risk. And so I think it's really a multiple benefits of a project like this.

And so I'll move Item 10.

COMMISSIONER DOUGLAS: Second.

CHAIRMAN WEISENMILLER: Okay. All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: This item passes 4-0.

Thank you.

Let's go on to Item 11.

MR. ORENBERG: Good afternoon, Commissioners. My name is Jacob Orenberg and I'm the Project Manager for the Annual Investment Plan Update for the Alternative and Renewable Fuel and Vehicle Technology Program, or ARFVTP. The ARFVTP was created by Assembly Bill 118 of 2007 and provides up to $100 million per year to projects that will transform California's fuel and vehicle types to help meet the state's climate change policies. The Investment Plan Update is a document that determines the funding priorities
Today, we are seeking your approval of proposed funding modifications to the 2016-2017 and the 2017-2018 Investment Plan Updates for the ARFVTP.

To provide some background information for this proposal, the California Budget Act gives the ARFVTP two years to encumber funds. So fiscal year 2016-2017 funding must encumbered by June 30th, 2018 and fiscal year 2017-2018 ARFVTP funding must be encumbered by June 30th, 2019. This means that the funding must be dedicated to a contract, grant, or loan agreement by this deadline, otherwise the funding will revert and not be usable for the purposes outlined in the Investment Plan.

Currently, there is roughly $3.5 million in 2016-2017 Biofuel Production and Supply funding that remains unencumbered. This funding was originally set aside for two projects awarded under Grant Solicitation GFO-15-606. However, the Applicant withdrew these projects from consideration in December. In addition, there is roughly $2 million in 2016-2017 Natural Gas Fueling Infrastructure funding that remains unencumbered, because of lower-than-expected demand, which I will discuss later.

There are two parts to this proposed funding modification, the first of which exchanges Biofuel Production and Supply funding with Emerging Opportunities
funding. This exchange is being proposed because staff
does not believe that the roughly $3.5 million of remaining
2016-2017 biofuels funding can be encumbered for new
projects by the June 30th deadline. And this is because of
the amount of time that is required to select and award new
grant agreements through a competitive solicitation.

So, to preserve these funds for the purposes of
the ARFVTP, staff proposes exchanging $3.5 million of
fiscal year 2016-2017 Biofuel Production and Supply
funding, with an equal amount of fiscal year 2017-2018
emerging opportunities funding. The 2017-2018 funding has
a later encumbrance deadline, which will provide the Energy
Commission with up to 17 months to release another biofuels
grant solicitation and encumber the funds.

Staff believes that the 2016-2017 funds, with the
earlier encumbrance deadline of this June 30th, can be
readily used for emerging opportunity projects. As this is
an equal exchange of funding between categories and fiscal
years, there will be no net change in total funding to
these two categories.

The second part of this funding modification
reallocates funding from the Natural Gas Fueling
Infrastructure category to the Electric Vehicle Charging
Infrastructure category. This is being proposed, because
solicitation, GFO-16-602, did not receive sufficient demand from applicants and was only able to provide about 40 percent of the available funds to eligible projects.

In addition, on December 4, 2017, the Energy Commission and the California Public Utilities Commission issued a joint letter to the Los Angeles County Board of Supervisors. This letter recommended a moratorium on new connections for natural gas service in the areas of Los Angeles County that are served by the Aliso Canyon natural gas storage facility.

Given the low demand demonstrated in the previous Natural Gas Fueling Infrastructure solicitation, as well as the fact that new natural gas interconnection projects in much of Los Angeles County would need to be excluded from solicitations for the near term, staff does not believe that the remaining 2016-2017 funds for Natural Gas Fueling Infrastructure can be encumbered by the deadline of this coming June coming June coming June 30th.

To preserve these funds for the purposes of the ARFVTP, staff proposes reallocating roughly $2 million in fiscal year 2016-2017 funds from the Natural Gas Fueling Infrastructure allocation to the Electric Vehicle Charging Infrastructure allocation. Staff believes that these funds can be encumbered for Electric Vehicle Charging Infrastructure projects before the deadline.
This funding is also expected to provide charging infrastructure to support the Energy Commission's upcoming 75 million School Bus Retrofit and Replacement Program that was authorized under Senate Bill 110 of 2017. Because of the low demand for Natural Gas Fueling Infrastructure funds in previous solicitations, staff does not propose offsetting this reduction with additional funds from other categories or fiscal years.

Staff is confident that, with these proposed funding modifications, the remaining ARFVTP funding for fiscal year 2016-2017 will be able to be encumbered by the deadline of this June 30th. We request your approval of Agenda Item 11, and I can now answer any questions you may have. Thank you.

CHAIRMAN WEISENMILLER: Thank you. Let's go to comments, anyone in the room? We have, I believe a representative of Zero Motorcycles. Please?

MR. FRIEDLAND: Good morning Chairman Weisenmiller and Commissioners Scott, McAllister and Douglas. My name is Jay Friedland. I stand here in my role as Vice President of Public Relations for Zero Motorcycles. Zero has been designing and building electric motorcycles in California for the past 10 years and we've grown from 8 people, in 2008, to over 150 now today.

As you know, Zero has shipped thousands of
electric motorcycles to customers in California and across the entire world. We're second only to Tesla in terms of volume manufacturing electric vehicles in California. Over 60 police and public safety departments in California, including LAPD, cities across the Central Valley and California parks are now deploying Zero motorcycles. And these motorcycles emotionally resonate with motorcycle riders providing high performance and "good clean fun."

I'm really here today to speak in support of the ARFVTP, which I'm sure I'm going to mess up that acronym, (indiscernible) and in support of electric motorcycle manufacturing.

Zero has successfully completed three Energy Commission ARFVTP manufacturing grants, which have played a fundamental role in the growth and expansion as a California electric vehicle manufacturer. Leveraging Energy Commission grant funding with private capital, Zero Motorcycles will be able to hire more people, achieve growth, and achieve more innovation.

And why is this important? Just one of the things that's happened recently is that the ARB has done some modeling. And this year, or actually last year in 2017, 2017, it turns out that motorcycles produce more pollution
than the cars on the road. And that's an important fact, because the amount of motorcycles is a small fraction of the amount of cars. And the amount of VMT or Vehicle Miles Traveled that motorcycles, that motorcycle riders do, is also much smaller. Sixteen percent more pollution coming out of motorcycles than out of cars, so this is really making a difference.

So as you look forward to future funding opportunities on ARFVTP, we believe that electric motorcycles are a key sector in needing support. And we want to thank the staff and congratulate the Commission on the fact of the 10th anniversary of the ARFVTP Program. And we really look forward to continuing this program for California (indiscernible) thank you.

CHAIRMAN WEISENMILLER: Thank you.

Any other comments from anyone in the room?

(No audible response.)

No, let's transition to the line. I think we have Thomas Lawson.

MR. LAWSON: I'm sorry, good morning.

CHAIRMAN WEISENMILLER: Good morning.

MR. LAWSON: Thank you for the opportunity to comment on this particular item. I just have a couple of points I wanted to make as well as a question to either staff or the Board. I definitely understand the need to
spend the encumbered funds by June 30th of this year. One of the suggestions that I had or questions that I had was currently in the NGVIP program there's a wait list of 1.2 million. Why wouldn't we be able to use this 2 billion to be able to satisfy that wait list there? That's one question.

The second question is staff obviously used the request for the moratorium in Los Angeles as a reason to reallocate funds. My question is, that actually vote or action was moved to February and I wonder whether or not that's going to be approved or not? I don't know. I don't have any intel on that. Should we wait until there's an action there to then be able to determine whether or not we're going to impact other programs?

In natural gas vehicles I think in California are biding quite of bit of -- are doing a great job of finding solutions to air quality goals. I think we're able to (indiscernible) have are very good programs and we've already begun to engage with Commissioner Scott and staff on some of these issues on how to rule these programs, because I think we all want to see them be successful. And I look forward to continue conversations on that topic as well.

So those are my comments. Thank you for the time. I appreciate it.
CHAIRMAN WEISENMILLER: Great, thank you.

Anyone else on the line?

(No audible response.)

CHAIRMAN WEISENMILLER: Okay. We'll transition.

Let me -- I was going to talk about Aliso Canyon in the Lead Commissioner Reports, but I'll do that now to provide some context and I'll ask the staff to talk about the zoning question.

So basically, if you go back to I'm going to say late November-December, when we released the Aliso Canyon status, we were concerned that even in relatively average weather we could have curtailments in Southern California in January. And so based upon that, President Picker and I sent a letter to the L.A. Supervisors requesting a moratorium on new gas hookups. Then when they did not respond, at that stage the PUC considered a resolution to do that. The resolution had morphed. Originally, President Picker had talked about the situation where around Porter Ranch is expanding, adding more gas service, at the same time that many of the people in the L.A. Basin want Aliso Canyon shut down.

So it's like how do we -- you know, how do we basically harmonize the situation of increasing reliance on gas at a time when there's substantial vulnerability there? And in fact, I remind people that based upon my
conversation with the Governor I've sent a letter to the
PUC requesting that we need a plan to shut down Aliso
Canyon in ten years. So basically the question is how do
we move forward?

Now, I would note that if you look at -- we've
posted a recent update on the -- we do monthly updates on
the supply and demand situation in Southern California
including the amount of gas in storage. We had an
incredibly warm December, you know, that in terms of
heating degree days it's a reduction of about two thirds,
so just -- wow is the answer. And so we have really good
levels of storage going into January, which allowed the PUC
to postpone the moratorium decision until February.

Now again I don't -- I'm not quite sure exactly
what they're going to do, but they do have this conundrum
of, on the one hand, in fact the Supervisor we sent the
letter to responded to us which we -- that included two
thoughts. One was to shut down Aliso Canyon right now.
And the other one was don't do the moratorium. (Laughter.)
So it was like okay, how do you harmonize these two pushes?

And so again, I don't know what the PUC would do
on the moratorium. But it was pretty clear that getting
letters from various companies ready to open up for
business in the L.A. Basin saying, "Wait a minute. You
can't possibly do this moratorium." Then it seemed like it
was time to really step back from the building in more gas load in the Basin until we have a better game plan.

So anyway, I don't know what the PUC would do on the moratorium. But at this stage, I think certainly the better part of prudence is to really slow down on this particular push until we have a better understanding, again, on Aliso Canyon. Outside of Aliso Canyon it's certainly a different story. I think certainly there can be some air quality benefits from natural gas vehicles that we tend to be very supportive of, but certainly nothing in the L.A. Basin until we get a better handle on Aliso Canyon. So that's the policy context.

Staff, do you want to talk about the timing?

MR. ORENBERG: Thank you, Chairman.

Yes, in regarding Thomas's other question about using the $2 million from Natural Gas Fuel Infrastructure for the purposes of a Natural Gas Vehicle Incentive Project that would not be possible without a funding reallocation itself. The funds dedicated to the Natural Gas Fuel and Infrastructure Allocation are specific to Natural Gas Fuel and Infrastructure and cannot be used for vehicles.

In addition, the Natural Gas and Vehicle Allocation currently has $19.7 million in unencumbered funds for fiscal years 2016-2017, and 2017-2018. So 10 million of that is from 2016-2017 and will be expiring on
June 30th if we don't encumber it, or rather reverting. So we are looking into ways to use that for natural gas vehicles, but we don't think it would be prudent to move the infrastructure funding to that other pot of $10 million for natural gas vehicles.

CHAIRMAN WEISENMILLER: Thanks.

So let's transition to the Commissioners.

Commissioner Scott?

COMMISSIONER SCOTT: Yeah, so I just want to say thank you very much to Jacob and the team for looking proactively, kind of around corners to see this coming, so that we have the opportunity to shift some dollars around and really efficiently and effectively continue to invest our ARFVTP dollars.

I think that the point Jacob made on infrastructure to infrastructure makes a lot of sense. We are working really hard to try to increase the amounts of investment that we put in infrastructure, so that it can keep pace with the amount of dollars that's going in to the vehicle side. We are super lucky to have the $75 million to invest in school buses. And if those school buses are electric, than we will also want to be able to help support the infrastructure for those school buses at those schools at those schools and so to shift those dollars from the Natural Gas Infrastructure into infrastructure that can
support the school buses if they're electric, to me makes a lot of sense.

So I'm very supportive of the recommendation that staff has put together. I appreciate the good thinking that they have done in this space. And many thanks to Jay and to Thomas for your comments on this; I appreciate that. So if you guys don't have questions I will move approval of Item 11.

COMMISSIONER MCALLISTER: I'll second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: This passes 4-0. Thanks. Let's go on to Item 12.

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

The California Sustainable Freight Action Plan, submitted to the Governor in 2016, includes nine actions for state agencies to address, including one focused on workforce training and development. Within the Action Plan, the Governor's Office of Business and Economic Development or GO-Biz, is the implementing agency for this workforce task.

In partnership with GO-Biz the Energy Commission previously developed Contract 600-16-006 with Cal State
University, Long Beach using $25,000 from the Alternative and Renewable Fuel and Vehicle Technology Program, or ARFVTP. Using these funds, CSU Long Beach began an assessment of the freight-related workforce sector.

With the proposed $150,000 in new ARFVTP funding for the contract, the CSU Long Beach will expand on this work including preparing career pathway maps, developing a concept paper for a freight workforce development pilot project, preparing a development plan for the pilot project and implementing the pilot project. This pilot project will help inform future investments and stakeholders as the freight transport system moves toward zero-emission technology.

A final report under the contract will also provide guidance on how the Energy Commission can further refine its freight workforce training activities funded by the ARFVTP.

This amended project will benefit disadvantaged communities located throughout the freight movement system from the state's seaports to inland warehouse and distribution centers. In particular, these communities will benefit from both expanded workforce training opportunities as well as a quicker transition toward cleaner vehicles and equipment operating in their communities.
With that, I would like to thank you for your consideration of this item and note that a representative from GO-Biz is here in support this item. Thank you.

CHAIRMAN WEISENMILLER: Thank you. Let's start with comments from folks in the room. Mr. Ramirez, please?

MR. RAMIREZ: Good morning, thank you Mr. Commissioner and fellow Commissioners. I want to extend my appreciation for this opportunity to speak on this matter, as a partner. And I have to do a shout out for Commissioner Scott for her leadership on this item. I very much appreciate it. And the hard work of Larry and the team at CEC for helping this thing go forward.

As you know, GO-Biz is the state's office that focuses on the economy, it's vibrancy, which also includes its workforce. And in that role the Sustainable Freight Action Plan, as approved by the Governor, places a high priority on assuring that we continue to provide a strong and nimble workforce as we transition to a sustainable freight economy.

As we do this, we have to work diligently to ensure that we provide an available workforce to make this transition successful. And this project will do that. I appreciate your positive consideration of this item and to be brief, I'll stop my comments at that point. Thank you very much.
CHAIRMAN WEISENMILLER: Okay. Thank you.

Anyone else in the room? Anyone on the phone?

(No audible response.)

CHAIRMAN WEISENMILLER: Then let's go to Commissioner Scott.

COMMISSIONER SCOTT: Sure. I just would like to say how pleased we are to be able to help support this critical component of the Governor's Sustainable Freight Action Plan. And thank GO-Biz for their partnership in helping us to develop a well-trained workforce. I don't need to tell you all the importance of a well-trained workforce, making living wages in our clean transportation economy. So I heartily support this and if there are no questions, I will move approval of Item 12.

COMMISSIONER DOUGLAS: Well great work on this and I'm really pleased to see it go forward. And I second the item.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: So this passes 4-0.

Thank you.

Let's go on to Item 13, please.

MS. ZHANG: Good Morning Commissioners. My name is Taiying Zhang. I'm from the Fuels and Transportation Division in the Emerging Fuels and Technology Office.
Today I'm seeking your approval of agreement ARV-17-014 with Crimson Renewable Energy for about $4.46 million grant.

This project will design, construct, and operate a 3rd-generation commercial-scale biodiesel refinery next to Crimson's existing second-generation biodiesel plant in Bakersfield. When fully operational, the new facility will convert a variety of low-value feedstocks with very high levels of free fatty acids, sulfur, and other impurities, such as grease, low-quality animal fats, and soap stocks. The new facility will produce over 11 million diesel gallon equivalents of biodiesel fuel and a high-quality glycerin co-product.

With the low-value feedstocks, the biodiesel carbon intensity will range between 20 and 31 gCO2e/MJ. At full capacity the fuel produced could reduce greenhouse gas emissions up to 124,127 MTCO2e/year. This project will create 10 full-time jobs and 30-40 short-term jobs. It is estimated to inject about a $25 million to $30 million per year into the state economy.

Thanks for your consideration of this item.

I think we have Mr. Harry Simpson, the CEO of Crimson Renewable Energy, on the phone. Thank you.

CHAIRMAN WEISENMILLER: Thank you.

Let's first start, is anyone in the room who
wants to comment on this item?

(No audible response.)

CHAIRMAN WEISENMILLER: We don't. Now, let's

transition to the phones and Mr. Simpson?

MR. SIMPSON: Am I on?

MULTIPLE SPEAKERS: Yes.

MR. SIMPSON: Oh, there we are.

I just wanted to say thank you to Commissioner

Scott and the team at the CEC for the positive evaluation

of our grant application and awarding this grant. As

Commissioner Scott and many of the Board Members know, we

have been awarded a prior grant that we executed on. And

expect to complete this project in 2019 and make this

another (indiscernible) showcase for the ARFVTP Program.

CHAIRMAN WEISENMILLER: Thank you.

Let's transition to Commissioner Scott?

COMMISSIONER SCOTT: Sure. Thank you very much

Harry for joining us on the phone today, and to the staff

for putting together this terrific agreement. These

projects are very exciting, because it helps us with our

Low Carbon Fuel Standard. And it's great, in my opinion,

to have in-state production of those fuels. And so I am

looking forward to, I believe he just said 2019, when

they'll be online producing this fuel. And I'm very much

looking forward to that and hardily support this project as
well. So I will move approval of Item 13.

COMMISSIONER MCALLISTER: I'll second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: This item passes 4-0.

Thank you.

Again, Item 14 is held to the next business
meeting, so let's go on to Item 15, please.

MR. CAZEL: Good morning, Commissioners. My name
is Phil Cazel and I am with the Energy Commission's Zero-
Emission Vehicle and Infrastructure Office.

I am presenting four grant agreements for
possible approval that represent four hydrogen refueling
station projects proposed under Grant Funding Opportunity
15-605, Light-Duty Vehicle Hydrogen Refueling
Infrastructure. A total of 16 hydrogen stations from this
same grant funding opportunity were approved at the June
and August business meetings this past year.

The agreements presented for possible approval
today are for capital expense grants to design, construct,
and commission four additional stations. Each of these
proposed stations has also applied for a $300,000 operation
and maintenance support grant, which will be presented for
Commission approval as each station is completed and ready
to be opened to the public.
Throughout the application and selection process, Energy Commission staff worked closely with staff from the California Air Resources Board to ensure that proposed refueling stations will be located in high-demand areas and will be appropriately sized to meet the projected demand from the over 13,000 fuel cell electric vehicles expected on California roads by 2020.

These four stations will add to the growing network of 60 funded hydrogen stations, 31 of which are open to the public and selling hydrogen to fuel cell electric vehicle drivers.

The four stations proposed for possible approval today are located in Redwood City, Studio City, Beverly Hills and Mission Hills. The proposed stations will be developed by FirstElement Fuel, Incorporated. And each station will be capable of dispensing at least 310 kilograms of hydrogen per day, which is enough to refuel over 60 fuel cell electric vehicles each day. FirstElement Fuel is requesting approximately $1.9 million in grant funds per station and is committing over $630,000 in match funding for each station.

If approved, these four stations are expected to be open to the public in late 2019.

Staff is asking for approval of these four agreements listed as a. through d. in Item 15. And we have
Joel Ewanick, the CEO from FirstElement Fuel, as well as Andrew Martinez from the California Air Resources Board on the phone, Gia Vacin with the Governor's Office of Business and Economic Development, and Bill Elrick from California Fuel Cell Partnership to comment today.

We're also available to answer any questions you have.

CHAIRMAN WEISENMILLER: Great. Thank you.

So as we go through comments I'm going to start with those in the room and then switch to those on the line. And in both categories, I'll start more with the government agencies first and then walk through the list. And so, I'm going to start with GO-Biz first. Please come to the line, come on up.

MS. VACIN: Good morning, can you hear me okay? Okay. Good morning, Chair Weisenmiller and Commissioners. I'm Gia Vacin, the Zero Emission Vehicle Infrastructure Project Manager at GO-Biz.

I'm here to speak in support of approval of the proposed four hydrogen stations. FirstElement has an excellent track record in station development and operations, with high station up time and high responsiveness when issues do arise.

The True Zero Network currently consists of 18 open stations and there's one nearing completion. As I
understand it they'll be kicking off commissioning very soon. So that's great. That will bring 19 to our open network and then of the 16 that were approved last year, 8 of them were for settlement stations. So with the addition of these four more stations, not only will it add three stations to the south and one to the north bringing more capacity to places that we need more fueling stations, it will also bring this grouping for settlement stations to 12, which will really enable some economies of scale.

I think that's an important thing that we need to be considering as we're going forward and thinking about cost and reducing costs and price at the pump and those kinds of things.

Additionally, FirstElement Fuel has been a thoughtful and consistent partner in helping to accelerate the hydrogen fuel cell electric vehicle market. They are creative and proactive in working to advance the technologies and reduce costs and continue to improve the customer experience. So I have great confidence in their abilities and am supportive of your approval of these four new stations. Thank you.

CHAIRMAN WEISENMILLER: Yeah. Thanks for being here.

Let's go to FirstElement next.

MR. EWANICK: Good morning Chairman and
Commissioners. My name is Joel Ewanick and I'm one of the three founders of FirstElement, along with Dr. Brown and Dr. Stevens who are also here with me. We just thank you for the time.

You know, we think that these three stations, these four stations, along with the eighteen that have already been built and the one that's going to open in the next three days, three weeks, or so, are a significant step forward for the adoption of fuel cell electric vehicles.

Your investment in those first 18 stations, and the one that's about to open, have started to really work. We have, so far, had 100,000 successful fills. We have dispensed 335,000 kilograms. That's the equivalent of 14,000,000 tons of CO2 removed from the atmosphere. And more important, that's 22,000,000 miles driven on electric vehicles driven by fuel cells. That is a significant number, so your investment is working.

I stood here on July 22nd, 2014. And I said with a stroke of the pen you have taken the infrastructure argument off the table and you did. This is a really significant moment. We will continue to do that same kind of dedication that we have with the first ones. But it's your vision, your dedication and your persistence that have made this happen. So we thank you for that and we again -- we're humbled by the offer.
CHAIRMAN WEISENMILLER: Great, thank you. Thanks for being here.

Fuel Cell Partnership, Bill?

MR. ELRICK: Bill Elrick with the California Fuel Cell Partnership. I want to thank you for the opportunity to comment and voice very strong support of CEC's ARFVTP Program (stumbles) --

CHAIRMAN WEISENMILLER: Fast, fast.

MR. ELRICK: -- I even had it here, so I could reference it -- and the co-funding of these four stations and all the hydrogen support that you've provided over the years. I can't say enough about this program and this announcement as well, in its success in launching California's commercial hydrogen market.

Because of FirstElement Fuel and the other stations you've funded, California now has the largest retail fueling market in the world, retail. It also has the most fuel cell vehicles in the world.

And this is only the beginning. We're working collaboratively with CEC and the other stakeholders on getting these first hundred stations up and running as quickly as we can. And where we're now also looking forward to the future and making a pivot to scale up this roll-out to be a more sustainable commercial marketplace that makes all ZEVs common place and brings more renewables
into the transportation network. And it supports California's goals, both economic and environmental.

And I just want to close with thanking the CEC, the Commissioners, the staff for all their hard work in getting us here. Again, great program and great success, so thank you.

CHAIRMAN WEISENMILLER: Thank you.

Anyone else in the room?

(No audible response.)

CHAIRMAN WEISENMILLER: Okay. Let's go to the phone lines. Let's start with the ARB.

MR. MARTINEZ: Andrew Martinez, I'm with the California Air Resources Board, ZEV Zero Emission Vehicle Infrastructure Section.

First of all, thank you for the opportunity to provide comments and apologies for not being there in person. I'm a little under the weather and so I want to share my thoughts, but not my germs.

CHAIRMAN WEISENMILLER: Thank you.

MR. MARTINEZ: So these stations, as Phil mentioned, have been the result of really good cooperation between CARB and CEC over the past several years, through the AB 8 Program. (phonetic)

In the 2017 Joint Agency Staff Report, as I mentioned, the Redwood City station in particular fills a
major gap in coverage on the East Bay area. And the stations in L.A. in particular, help reinforce backup and redundant coverage and capacity, especially in the western L.A. region, along corridors near and on Santa Monica Boulevard; up the Interstate 5 and up I-405.

So California Air Resources Board just wants to essentially register our support for these stations. And we look forward to continuing this work with the California Energy Commission and all of your staff.

CHAIRMAN WEISENMILLER: Thank you. Thanks for your comments.

Let's go to Toyota, also on the line.

MR. MCCLORY: Good morning, Commissioners. My name is Matt McClory with Toyota Motor of North America and I appreciate the opportunity to comment. I apologize for the echo.

(Audio cuts in and out during phone call.)

On behalf of Toyota, we support the proposal for the four hydrogen refueling stations projects as described. These projects support the (indiscernible) of the greater hydrogen (indiscernible), which is critical to provide capacity for (indiscernible) to increase the volume for models of fuel cell (indiscernible) future.

Even more significant, we certainly appreciate these projects are planned in areas in areas that are
consistent with the market locations identified by the auto
makers (indiscernible) process published by the California
(indiscernible) partnership.

Placing stations, based on current and future
customer feedback allows LEMs (phonetic) to expand sales of
these vehicles and also provides redundancy for
(indiscernible) customer experience.

We appreciate the Energy Commission's support for
these projects, which paves a way towards the
commercialization by interests (indiscernible) and where
this type of subsidy may be (indiscernible).

That's the end of my remarks. Thank you very
much.

CHAIRMAN WEISENMILLER: Thank you.
Let's go to Honda.

MR. ELLIS: Hello?

CHAIRMAN WEISENMILLER: Yes, we can hear you. Go
ahead.

MR. ELLIS: Perfect, thank you.

Good morning Commissioner Scott and members. My
name is Steve Ellis on behalf of American Honda Motor
Company based in Torrance, California.

We thank the CEC for continued support of
projects for lower emission vehicle transportation, and
specifically for this agenda item on hydrogen refueling
stations for our customers and the (indiscernible).

Honda has moved from a demonstration project climate of our fuel cell cars, back in 2002, to a higher volume building commercial diesels (phonetic) in 2008 and now commercial deployment of the all-new (indiscernible) fuel cell, a California network in both Northern and Southern California.

FirstElement has shown an outstanding focus on improving and advancing all aspects of fueling stations with a customer satisfaction mindset to support automakers and all electric vehicle customers. Additionally, at Honda we've provided financial support for FirstElement to help accelerate increased station networking to ease the adoption of this form of zero emission vehicles as another choice that California citizens make in addition to battery electric vehicles, to meet their daily transportation needs.

Simply put, we support the grant funding to FirstElement Fuel for each of these station awards. And thank Commissioner Scott, the Board and staff, for their leadership with the deployment of this commercial development of a hydrogen station network in California.

CHAIRMAN WEISENMILLER: Thank you.

Anyone else on the line?

(No audible response.)
CHAIRMAN WEISENMILLER: Then let's transition to Commissioner Scott.

COMMISSIONER SCOTT: Well, I'm not sure I have too much to add to the enthusiastic remarks that you have heard from our partners.

I do want to say thank you very much though to GO-Biz, to ARB for being great partners, as we have been rolling out the hydrogen refueling network to the Fuel Cell Partnership and also, really especially to the First Element Fuels. They didn't say a bunch about this, but of the 31 stations that are open retail they've built 18 and the 19th one is coming in about three weeks, is what I'm hearing. They have the connector station, which allows folks today to be able to drive from Southern California to Northern California and back. They've also got the connector station that allows you go get up to Tahoe.

Hopefully we can get some snow up there soon. And so I really appreciate the fantastic work. It's terrific to have a California company really helping us to build out the network.

And one of the things that Phil said in his presentation is that these four stations are expected to be open by late 2019. And we went over that really quickly, but that's very exciting as well that we're able to get these stations going in about two years, which is a big
improvement from when we started with the program. And so
that's just something that I'm excited about as well.

And I also want to thank our partners, Toyota and
Honda, for bringing the beautiful Clarity and Mirai for
folks to have the option of zero emission vehicles, right?

It's just we're really starting to -- we're building the
foundation. And it is very exciting. And I'm glad that
we're able to add four additional stations to the network
and thanks to FirstElement for being here today.

So if you don't have questions, I will move
approval of Item 15.

COMMISSIONER MCALLISTER: Great. I'll second.
CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: This item also passes 4-
0. Thank you.

MR. SOKOL: Good morning, Commissioners. There's
nothing new to report on the SB 350 front this month. And
so I'll happily turn it for any questions or commentary
from Commissioners.

CHAIRMAN WEISENMILLER: Great. Thanks.

Are there questions, yeah?

COMMISSIONER SCOTT: I will note that we are --
the Public Utilities Commission and the Energy Commission
are working together to put together our disadvantaged
Communities Advisory Group, who will help us by looking at what we're doing under SB 350 for energy efficiency go bring in low-income communities and also on the renewable energy and provide some advice.

We put out a charter and a call for applications. We've received a whole bunch of applications and are in the process of reviewing those. And so the PUC Commissioners Rechtschaffen and Guzman Aceves, and Chair Weisenmiller and I, will review those applications and pick the committee. And when we are ready to announce that group, we will let folks know and get that out on the various listservs and social media and things like that.

But we are making progress on our Disadvantaged Community Advisory Group.

COMMISSIONER MCALLISTER: Just go ahead?

CHAIRMAN WEISENMILLER: Yeah.

COMMISSIONER MCALLISTER: So one of the efforts I know you've been working on is this developing metrics for the disadvantaged communities efforts. And I got a nice briefing on that and it overlaps a number of areas. And my interest is obviously getting more efficiency there and folks in a multi-family and just a whole bunch of issues that are kind of in my purview.

But I wanted to point out -- kind of it dawned on me when I was looking at the amazing staff work on the
metrics and in particular the utilizations (phonetic) that we're now able to do. And it made me think of the conversations that Commissioner Douglas and I had had, now years ago, when she was in the throes -- when you were in the throes of the DRECP (phonetic) and really putting together a lot of this GIS information, and doing all of these layers, and really sort of gathering the best data that was out there to represent visually whatever questions we were trying to ask and understand them better.

And so now we can -- as we're gathering more data on energy consumption, on properties, on buildings and with 802 data that's going to come in on large commercial and multi-family buildings -- the pieces are starting to align in a way that really is very exciting. And so that sort of most current representation of that I think has been this work that cartography has been doing with the divisions on underlying the analysis for this metrics discussion. And I think it's quite exciting.

And it's really a signal, a sign of things to come, of great things to come, that'll cross divisions, really. I don't think we actually have -- well, clearly we have not fully thought through all the possibilities here. But I know there are lots of them in efficiency and demand response and some of the things that I worry about. So anyway, I wanted to just call that out and say thanks for
all the good work.

And I think it also has a great potential to provide professional development for staff to work on some of these exciting issues, to hone their analytical tools and learn these skills. And I think that'll be good for the Commission long term as well. So I'm very excited about that. So I wanted to just thank you and the team for pushing that forward.

COMMISSIONER DOUGLAS: Well thanks for that comment, Commissioner McAllister.

And I'll just add on, you know, when we did the work in the DRECP and then subsequent planning efforts of various kinds, it gave me a real insight into the power of using and manipulating data through these platforms that allow you to really draw from this broad sort of data sets and model results and model runs and make changes quickly and rerun and we've built a lot of capacity to do this kind of analysis in-house. And bringing that capacity to bear towards different sets of issues and whether it's showing where funds have been expended or showing where certain kinds of programs can be most effective based on geographically specific factors, I just think there's tremendous potential here. And then the ability to link that data to data held by other state agencies and really create systems that allow us to pool our analytical
capability and data.
I agree with you. We're at the very beginning of understanding how we can work in this way and be much better and more effective at both thinking through what actually is happening on the ground and what is needed. And also portraying and communicating what is happening on the ground to others who can take it and build on it.

CHAIRMAN WEISENMILLER: Great, thanks. Thank you.

Minutes?

COMMISSIONER DOUGLAS: I'll move the minutes.

COMMISSIONER MCALLISTER: I'll second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: And we have one, so three with one abstention and one absent now.

So let's go to Lead Commissioner or Presiding Member Reports. Commissioner Scott?

COMMISSIONER SCOTT: Great. Well, I want to say happy New Year to everyone. We've gotten off to a really fast start, so it feels like the New Year was quite some time ago, actually.

I had a couple of things I wanted to highlight for you. I had a chance to go down south just last week and present what the Energy Commission is doing on
transportation at the Southern California Energy, Water and Green Living Conference. So that was just a great chance to engage with -- actually it was a pretty broad set of folks; everything from wild life agencies and defenders of wildlife, to me talking about transportation, but just a lot of the key -- so the Salton Sea -- a lot of the key issues that are taking place down in Southern California. And so I was pleased to be able to present a little bit about what the Commission is doing on transportation there.

We also had the Air Resources Board hosted the SB 1383 Dairy Working Group. That was a couple of Fridays ago. We launched that last summer, maybe May, a little bit earlier than summer, but and pulled together some sub working groups to really help us look at some of the questions around dairies and how to capture the methane and other gases from dairies, as part of our short-lived climate pollutant strategy.

And I'm pleased to say that we had -- and I'll just run through the list -- there's a bunch of agencies that are all working together on this. The Air Resources Boards, CDFA, the Energy Commission, the Public Utilities Commission, CalRecycle, San Joaquin Valley Air Pollution Control District and the Regional Water Quality Board all came and gave presentations about -- very brief presentations what their staff has been up to, to help
support this effort as it's gone along.

And then we heard from our sub groups. And I
really want to give a shout out to the sub groups, because
they have spent a lot of time and energy. They've been
very dedicated to pulling together their best thoughts and
information, data and expertise for the state agencies to
really think through and review. They're still in the
process of that, but they gave us kind of an update about
where they are.

And those groups are broken down into three
groups; fostering markets for digester projects, fostering
markets for non-digester projects and the research needs,
including enteric fermentation, which we'd have to have a
scientist explain a little better than I can remember from
the presentation. But you know what they've done is assess
the state to really try to understand on the digester side,
what's there and then what the possibilities are. And then
also on the non-digester side, what's there are what the
possibilities are.

So a lot of the gaps were kind of falling into
the research questions, so we'd need to see that the
research groups, the items that they identified that
required additional research kind of overlapped with where
the other two groups were finding gaps in this space. So
that's continuing on. We met on January 5th to kind of get
that update, so the SB 1383 work continues.

And then I just here, internally, had a chance last week to meet with Rob Cook's team. And just talk a little bit about really the overall importance of the work that they do. I mean everything from IT, keeping all of our computers up and running and our beautiful WebEx is working and the mics and everything, to the contracting team who's always making sure that as we approve these grants, the contracts get together and get out and get moving quickly, so that projects can get up and running. You know, just across the board the great work that his team does to really support the mission of the Energy Commission.

So it was great to get a chance to talk with them, thank them for their fantastic work. And then also to talk a little bit about what's going on in the transportation space and how important the work that they do is to help support what we're doing in that space.

So that's a couple of things about what I've been up to.

COMMISSIONER MCALLISTER: Great, so yeah Happy New Year as well. I was able to spend a good amount of time, probably the most time I've ever spent, in my childhood home city basically since I left for college. So my mom was ecstatic. (Laughter) And there's this new
Country Music Hall of Fame, that City is Nashville, so I just recommend it to everyone and whether or not you're into country music, it's a good thing. Anyway, on to business.

Really, just a couple of things to mention, on January 1 the lighting minimum efficiency standard, backstop, came into effect. And California is two years ahead of the rest of the country on this. And we opted to go ahead and do it, because the market is ready and the technology is ready.

And basically what that means is that for typical general service lighting, the A-lamp, the screw-in light bulb that everybody knows and a few other types of lamps, 45 lumens per watt will be the minimum efficiency. And the upshot of that is that incandescents can't meet it. So manufacturers for the last few years have seen this coming and they've chosen other technologies to develop. And we all know that the LED revolution is on us. And the quality has gone through the roof and the prices have gone down tremendously. And so that's what you're going to see on shelves. CFLs will be there, but I think LEDs will pretty much be taking over those spaces. And incandescents will be fading out.

And so, I did a lot of interviews over the break to news outlets all over the place: national, state and
everything in between. And there was -- typically you expect reporters to sort of put their skeptical hat on and ask you the tough questions, you know and sort of why is this a good thing? And really, "Yeah, but what about this and that?" And many of the reporters went out and visited a shop that sold all the new products that are out there. And they just came back with stars in their eyes and they really didn't ask many critical questions, because they were so convinced. They just saw for themselves what a transformation has taking place already.

And so it's clearly the right thing to do. And we're ahead of the game by two years. And it was good to be able to say, "Well, this was a 2007 Energy Independence and Security Act that's a federal act that George W. Bush signed into law." So it was a Republican Administration and this is all coming federally in two years. All we're doing is doing it a little bit early. So that by the time the rest of the country comes around, the market will be completely done.

So very positive and I think another example of just people hearing about what we do and seeing leadership there. And just seeing rational policy making, basically, for the good of the state and the consumers and so all of that was very positive.

I guess the other thing, there are obviously lots
of plates spinning and I won't go into all the great staff
work that's happening, but about codes and standards. And
some interesting analysis that we're doing about various
issues, largely related to 350 and energy efficiency and
then some about rates and kind of thoughts going forward
about that, but results to come.

And I guess the other thing I wanted to say was
just to say thanks and congrats to Chair Weisenmiller on
the IEPR. I think maybe we don't say it that often, but
you have a lot of your plate and the IEPR typically has not
been one of those things and you took it on this year. And
just going through the review chain and looking at the
document, the quality is super. And obviously it's not
done. The forecast still needs to get finished and
adopted, but looking at areas that I'm most interested in,
I was just very impressed. And so I just wanted to give
kudos to you and obviously to Heather and the whole team,
because it's really just come together nicely. I know it's
a lot of work and I don't always make life easy for them.

So anyway, I'm happy with the direction that's
going and I guess the reason it's so important is that next
year is kind of a critical year to not only wrap up the
Governor's eight-year trajectory this time, but also plan
for the full IEPR in 2019, when really a lot of rubber is
going to hit the road. And so I think it's a good basis
for that. So thanks.

COMMISSIONER DOUGLAS: Great. Well, I have a couple of quick reports, really about a couple of staff workshops that are scheduled for the next few weeks. They both relate to a broader effort we've been making in the STEP Division and on the compliance side to move to increase compliance with conditions, improve safety, improve efficiency, improve transparency and so on, on the compliance side. So with regard to existing projects that have been licensed in some cases a long time ago, and operational for a long time.

And so in that context, on January 25th, a staff workshop will be held to discuss proposed revisions to the existing incident reporting process for jurisdictional power plants and a proposed compliance docketing policy. The incident reporting will help ensure that when there are incidents that result in emergency responses or potential security breaches we're provided with timely and clear information, regarding the incident, so we can assess the situation and any needed actions on our end.

In terms of the docketing policy, the Energy Commission staff has developed a new compliance docketing policy that will require certain documents to be docketed and available on our website after a project has received its license. Those documents have always been and of
course are, available to the public through a Public
Records Act request. But having the information easily
available and accessible on the website is a bit
improvement in terms of just ease of access to the public
for these documents. So that will be January 25th and
those two topics will be covered at a staff workshop.

On January 30th, the STEP staff will be holding a
second workshop to discuss proposed changes to Title 20 of
the California Code of Regulations. Those proposed changes
are mostly related to the power plant siting process and
the amendment process. There's some very minor, frankly,
clarification and cleanup language related to small power
plant exemptions. Some language related to what activities
fall under the processing of a petition to amend. And they
provide staff with some additional flexibility to approve
certain kinds of changes.

They establish a new kind of amendment and I'll
just talk about this very briefly. They propose a staff
initiated amendment that would only take place with the
concurrence of the project owner, but the idea is that
there are some projects that have been licensed a long time
ago that have really obscure and sometimes no longer
relevant conditions. They might call on the Applicant to
fund something that no longer exists, or to be a member of
something that no longer exists, or follow some set of
rules that's been superseded by some other set of rules.

And so in those instances applicants sometimes find, or project owners sometimes find it difficult to convince themselves that they need to spend the time and resources and pay an amendment fee to clean up obscure or no longer relevant items in their licenses. But from a compliance perspective, of course, we want those to actually track with the real world.

And so this would create an avenue for the staff to take the initiative working cooperatively with the project owner, and through a public process, to make those changes on its own initiative.

So those are some of the items that will be covered in those draft regulation changes. And that workshop is scheduled for January 30th.

So that's all I've got today.

CHAIRMAN WEISENMILLER: Well, thanks.

Just a couple of things briefly, I mean I was going to cover Aliso Canyon and I think I've covered it.

The one thing I would point out is, in the Aliso context one of the things we tried to do last year, and are trying again this year, is basically have so-called gas work on demand response for the gas system, as opposed to the power system.

And last year the approval was late and it
frankly didn't get very much done. This year, we've been sort of pushing to get more done. And part of it is outreach to nest and other third-party thermostat operators. There are some issues in terms of coordinating between the programs -- electricity demand-response programs run by, say Edison and the gas demand-response programs run by Sempra or SoCalGas to the extent that they're involved in the same thermostat control devices.

So anyway we're hoping to get more progress this time than we did last year, but we'll see. Again, it's sort of -- I think there -- I'm trying to remember where back on the East Coast there's been some progress done by one of the gas utilities, I'm going to say in New York, again trying to do gas demand response.

But as a way of dealing with it if we get to -- I have to stress having said we had an incredibly warm December, we also watched and the polar vortex brought an incredibly cold period on the East Coast. And if that had hit here, it would have been really bad, just on the reliability perspective. So definitely we were lucky, but luck is not sufficient policy going forward. And we need to continue to be more proactive.

Yeah, I've been really tied up in the IEPR, trying to tie that up at this stage. It is a lot of work. Certainly Heather and gang have done a phenomenal job. The
main forecast is not done yet. We're struggling on the one hand with the doubling of energy efficiency and trying to fold that in and also trying to deal with basically the load shift implications of PV. We're trying to do more of a peak shift model or do 8760 hours and look at the effect of PV on the peak demand or the peak demands. And so that's pretty major steps forward.

At the same time, the PUC has been trying to get us to accelerate the timing. And it just really frankly doesn't work in the sense that you want to get enough of the summer peak data to really capture that. And then do the analysis and then have a public process. And so trying to fit all three of those together, I think we need to sit down with them and talk about the timing, because we could well be in a situation of just cutting off say, in July or something in dealing with their timing needs by having a pretty unbaked forecast.

UNIDENTIFIED SPEAKER: (Indiscernible)
CHAIRMAN WEISENMILLER: Yeah, or in possibly September right, so neither one is -- it's not a good idea. But anyway we're struggling with the timing at this point and really need to pull things together at the next business meeting. But a lot of people have been working pretty hard and again, a shout out to the Demand Office folks who have been here through all Christmas, basically
trying to deal with the new timeline and the new scope of stuff. So anyway, that's coming along.

And I would just footnote that on the metrics on basically the Barriers Report, hats off to Pam and Kevin to sort of really keep pushing that along. You know, when Pam stepped back Kevin just sort of picked it up to try to keep it going. So anyone it's an important area and certainly I think we've had pretty good feedback as we're going through that process. So anyway, a few shouts out.

Let's go on to Chief Counsel Report.

MS. VACCARO: So good morning. I don't have a substantive report out, but just briefly I wanted to make an introduction. So I'm very proud of my office and always pleased with the talent that we have, but like everyone else in the Commission, we try to raise the bar and really attract folks from different schools. And we have an opportunity, right now, to have an extern from Berkeley Law, formally known as Boalt Law, who did undergraduate work at Yale, worked for L.A. Times, in Asia worked for Soros Fund. A really tremendous wealth of work experience, but also coming from a prestigious law school two days a week by train, because of the interest in what we do here I think is really pretty remarkable. And again, it's just an example of what we're all trying to accomplish here, in terms of broadening and deepening the bench.
So John Hannon is going to be in our office for at least this semester. You'll be seeing him in some of the meetings. And I'm just pleased to be able to make this introduction.

CHAIRMAN WEISENMILLER: Great. Thank you.

Welcome aboard.

Let's go on to the Executive Director Report.

MR. BOHAN: Good morning. I just have one announcement that is not news to you, but it may be to some others. And that is that we have a new Chief Deputy Director who is sitting here, Courtney Smith. She emerged from a really strong field of candidates. We had a lot of good folks interested in this job, but I think we made the right decision. You all know her. She's brilliant. She works really hard. She's creative and she's real easy to get along with. So we're very fortunate to have her.

Thanks.

CHAIRMAN WEISENMILLER: Thanks. Welcome.

Public Adviser's Report?

MS. MURIMI: Good morning Chair and Commissioners, nothing to report from the Public Adviser's Office.

CHAIRMAN WEISENMILLER: Okay. Thank you.

I'm going to sort of amend my comments with one thing. Last Saturday, I attended the memorial service for
Gregg Wheatland. Gregg was in our law office downstairs, back in the late '70s. He went from here to the PUC where he was both an attorney and the ALJ, then went to the City and County of San Francisco and then went to Ellison Schneider. So really a distinguished legal career and people talked a lot about the various dimensions. You know, I mean one of the things was Gregg was one of the people who basically mapped out in Alaska where the national parks should be, in his transition between law school and the Energy Commission. And there were some great slides. But anyway, definitely we're all going to miss him.

Yeah, any public comment?

(No audible response.)

The meeting's adjourned.

(Adjourned the Business Meeting at 11:40 a.m.)

--oOo--
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 26th day of January, 2018.

[Signature]

PETER PETTY
CER**D-493
Notary Public
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 26th day of January, 2018.

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

I do hereby certify that the testimony in the foregoing hearing was taken at the time and

CALIFORNIA REPORTING, LLC
229 Napa Street, Rodeo, California 94572 (510) 224-4476
place therein stated; that the testimony of
said witnesses were reported by me, a certified
electronic court reporter and a disinterested
person, and was under my supervision thereafter
transcribed into typewriting.

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

IN WITNESS WHEREOF, I have hereunto set my
hand this 26th day of January, 2018.

[Signature]

PETER PETTY
CER**D-493
Notary Public
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 26th day of January, 2018.

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