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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

TUESDAY, AUGUST 28, 2018

10:00 A.M.

Reported by:
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APPEARANCES

Commissioners:

Robert B. Weisenmiller, Chair
Karen Douglas
Janea Scott
Andrew McAllister

Staff Present: (* Via WebEx)

Drew Bohan, Executive Director
Kourtney Vaccaro, Chief Counsel
Kerry Willis, Assistant Chief Counsel
Dorothy Murimi, Public Adviser's Office
Cody Goldthrite, Secretariat

Agenda Item

Anwar Ali 1

Others Present (* Via WebEx)

Interested Parties

Scott Galati, DayZen, LLC for Contra Costa 1
Generating Station, LLC
Greg Lamberg, Radback Energy, Inc. for Contra 1
Costa Generating Station

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a. Pursuant to Government Code section 11126(e), the Energy Commission may adjourn to closed session with its legal counsel to discuss any of the following matters to which the Energy Commission is a party:	
i. <i>In the Matter of U.S. Department of Energy (High Level Waste Repository) (Atomic Safety Licensing Board, CAB-04, 63-001-HLW); State of California v. United States Department of Energy (9th Cir. Docket No. 09-71014)</i>	
ii. <i>Communities for a Better Environment and Center for Biological Diversity v. Energy Resources Conservation and Development Commission, and California State Controller, (Alameda County Superior Court, Case No. RG13681262)</i>	
iii. <i>State Energy Resources Conservation and Development Commission v. Electricore, Inc. and Zero Truck (Sacramento County Superior Court #34-2016-00204586)</i>	
iv. <i>Natural Resources Defense Council, Inc., et al. v. United States Department of Energy (Federal District Court, Northern District of California, #17-cv03404).</i>	

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4.	Chief Counsel's Report (Cont.)	19
	v. <i>State Energy Resources Conservation and Development Commission v. City of San Jose, JUM Global, L.L.C.</i> (Sacramento Superior Court, Case No. 34-2018-00230652).	
	vi. <i>Rodriguez v. State of California, Energy Resources Commission</i> (Workers' Compensation Appeals Board, Case No. ADJ10856829).	
	b. Pursuant to Government Code section 11126(e), the Energy Commission may also discuss any judicial or administrative proceeding that was formally initiated after this agenda was published; or determine whether facts and circumstances exist that warrant the initiation of litigation, or that constitute a significant exposure to litigation against the Commission, which might include:	
	i. SPB Case No. 17-1443W; DFEH No. 943831-303813/ EEOC No. 37A-2018-00550-C.	
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P R O C E E D I N G S

AUGUST 28, 2018 10:01 a.m.

CHAIRMAN WEISENMILLER: Let's start the Business Meeting with the Pledge of Allegiance.

(Whereupon the Pledge is recited)

CHAIRMAN WEISENMILLER: Good morning. Let's start the Business Meeting. Let's start with Agenda Item 1.

MR. ALI: Okay. Good morning, Commissioners. My name is Anwar Ali. I am a Compliance Project Manager in Siting, Transmission, and Environmental Protection. With me today is Kerry Willis who is Assistant Chief Counsel.

Today, staff is seeking approval of a proposed facility closure plan and a request for a license termination for Oakley Generating Station.

The Oakley Project was proposed as 624 megawatts natural gas-fired combined-cycle electrical unit generating facility. It was certified by the Energy Commission in May 2011. The project site is located in the City of Oakley in Contra Costa County, in California, on a parcel owned by the Chemours Company formally known as the DuPont Corporation.

Limited construction occurred at the site between June and September 2011. However, the power plant was never built. First on the staff analysis of the proposed

1 facility, the staff determined the following. The Facility
2 Closure Plan and the request for a license termination
3 would not result in any significant impacts on
4 environmental quality, public health and safety, and would
5 be consistent with all applicable laws, ordinances,
6 regulations and standards as required by Condition of
7 Certification COMPLIANCE-11.

8 The project owner has satisfied all the
9 mitigation requirements for the project's temporary and
10 permanent impacts. The Facility Closure Plan proposes to
11 transfer the Oakley Project site control to the Chemours
12 Company, which means in essence the site control will be
13 transferred back to the original owner of the site. The
14 Chemours Company would take control of the Oakley site in
15 as-is condition with the existing features.

16 On August 21, 2018 the California Energy
17 Commission received one comment from the Contra Costa
18 County Flood Control and Water Conservation District.
19 Staff acknowledges that the Contra Costa Flood Control and
20 Conservation District is not the approving agency of the
21 Facility Closure Plan for the Oakley Generating Station.

22 Furthermore, staff verified that all the existing
23 stormwater drainage facilities onsite are working
24 adequately, and they are in compliance with collect and
25 convey requirements.

1 With these findings in mind, staff recommends
2 that the Energy Commission approve the Facility Closure
3 Plan and the request for license termination for Oakley
4 Generation Station. I'm available to answer any questions
5 you might have. Thank you.

6 CHAIRMAN WEISENMILLER: Okay. Thank you.

7 Applicant?

8 MR. GALATI: Scott Galati representing Contra
9 Costa Generating Station, LLC.

10 MR. LAMBERG: Greg Lamberg, representing Contra
11 Costa Generating Station, LLC.

12 MR. GALATI: We have a -- this is the first time
13 I'm here asking for a license of a closure plan, number one
14 and a license termination. So with a heavy heart I ask for
15 that and we believe that staff has done a good job at
16 evaluating this and Mr. Lamberg would like to say a few
17 things before you vote.

18 MR. LAMBERG: First of all I'd like to thank the
19 staff for a lot of hard work on this project. We started
20 working on this project in 2007 as part of an RFO for PG&E.
21 A lot of the staff that worked on the project is no longer
22 here. We've been through four difference Compliance
23 Managers. We've seen changes at the Commissioner level.
24 Commissioner Douglas actually, was our Associate Member.
25 Commissioner Boyd was our Presiding Member to turn back the

1 clocks a little bit. Mr. Carroll (phonetic) had just
2 joined the Energy Commission when he started working this
3 project. And so it's been about a decade since this
4 project was first conceived and moved forward.

5 An unfortunate set of circumstances. Like Scott,
6 this is the first time I've been here asking for a license
7 termination. I'm usually sitting in this chair asking for
8 an approval. And that's been the case for over half a
9 dozen projects here with the Energy Commission.

10 But I want to thank staff for all the hard work
11 that was done at all levels throughout this Commission.
12 And Anwar and his leadership for turning around this
13 analysis on the closure plan very, very quickly. Because
14 of our commercial arrangements with Chemours we really
15 needed a termination before the end of August. So Anwar
16 and his team and Shawn and his team really jumped through a
17 lot of hoops for us in making that happen.

18 And I want to thank the Commissioners for this
19 special meeting today, so that this item could be addressed
20 and we could complete our commercial arrangement with
21 Chemours. Thank you.

22 CHAIRMAN WEISENMILLER: Thank you.

23 Any other public comment either in the room or on
24 the phone?

25 (No audible response.)

1 Let's transition to Commissioner Douglas.

2 COMMISSIONER DOUGLAS: You know, I'll just
3 briefly say I do remember this case and have sort of from
4 time to time followed the trajectory of this power plant
5 application. And I want to thank staff for the thorough
6 and quick job that they did in just making sure that the
7 closure conditions were clear and in place.

8 And I certainly -- it's important to us to be
9 responsive and where feasible help you meet timelines that
10 are important to you and to the future of the site. And
11 so, with that I certainly recommend this to the approval of
12 my colleagues.

13 I'll see if any of them have any comments. It
14 doesn't look like it. So I'll move approval of Item 1
15 here.

16 MR. LAMBERG: All right. Thank you.

17 COMMISSIONER MCALLISTER: I'll second.

18 CHAIRMAN WEISENMILLER: All those in favor?

19 (Ayes.)

20 CHAIRMAN WEISENMILLER: This passes 4-0. Thank
21 you.

22 COMMISSIONER DOUGLAS: Thank you.

23 MS. VACCARO: For the record, Commissioner
24 Hochschild is absent from today's meeting.

25 CHAIRMAN WEISENMILLER: Yes. I believe we're now

1 on to Item 2.

2 COMMISSIONER DOUGLAS: I move the minutes.

3 CHAIRMAN WEISENMILLER: Actually no, no,
4 Kourtney first.

5 COMMISSIONER DOUGLAS: So Kourtney, go ahead.

6 MS. VACCARO: Yeah, so before you take action on
7 Item 2 I'd like to invite your attention to Item Number 10
8 of the proposed minutes and there is a correction that we
9 need to make. It's showing that Commissioner Scott
10 seconded Item 10 of the minutes, but in fact it was
11 Commissioner Douglas. So we would like any approval of the
12 minutes to just note that change and approve it with that
13 change made.

14 CHAIRMAN WEISENMILLER: Now, go ahead.

15 COMMISSIONER DOUGLAS: All right, so noted. And
16 with that change I move approval of the minutes.

17 COMMISSIONER MCALLISTER: Second.

18 CHAIRMAN WEISENMILLER: All those in favor?

19 (Ayes.)

20 CHAIRMAN WEISENMILLER: So again, the minutes are
21 approved 4-0 with Commissioner Hochschild absent.

22 So I think at this stage, we're on to Lead
23 Commissioner Report. Commissioner Scott?

24 COMMISSIONER SCOTT: Sure, just a quick update
25 for you all since our last meeting. We have hosted, in the

1 Transportation Division, a Manufacturing and Workforce
2 Development Merit Review Meeting, which was great. So we
3 had an opportunity to talk with some of the folks that we
4 have funded and ask them what's working well in their
5 projects, what's not working so well, and what types of
6 information can we bring back then to make our
7 solicitations even more thoughtful and better and continue
8 to improve as we go along?

9 And so that was great. A couple of the things
10 that we learned within that were many of these are global
11 businesses. And a lot of times it's sort of that last-in-
12 time piece that would be really helpful to have on a
13 manufacturing here in California versus all around the
14 world right, when you're trying to move a product pretty
15 quickly. So that was pretty interesting to learn.

16 And on the workforce training side, very
17 interesting, especially with charging and how charging
18 infrastructure is integrated in with buildings and other
19 things, making sure that we have folks that can do all of
20 the software work, a lot of the hardware work. And so
21 there's again a good set of workforce that can be developed
22 there. And it was interesting to listen to those various
23 companies that were there, because they're really sort of
24 poaching the best workers from one another. And so we
25 really do need to continue to develop the workforce in that

1 space.

2 The other thing I got to do, I think many of you
3 were there as well. Advanced Energy Economy had their
4 Pathway to 2050 Symposium a couple of weeks ago. And I was
5 delighted to be a part of that and to round out the closing
6 panel that they had there with the VP of Energy
7 Innovations, Sonia Aggarwal; Commissioner Peterman from the
8 Public Utilities Commission, and Senator Skinner. And we
9 had kind of a fun dialogue amongst all the ladies there
10 talking about transportation electrification,
11 regionalization, utility business models, storage, what we
12 see for upcoming administrations. So that was great.

13 And then I just want to note that we also had our
14 Stanford Summer Reception for the interns here. And that
15 was fantastic. It's really been a great partnership I
16 think between the Energy Commission, actually I guess it's
17 the state more broadly, but the Energy Commission and
18 Stanford, to bring students to have a chance to see what
19 it's like to work in state government. The students have
20 been fantastic. I really enjoyed working with my intern,
21 Michelle Solomon, who was here just until the end of the
22 week and then they have to go back to school, but it really
23 was great. And I was happy to have a chance to get to
24 celebrate that, so a couple of quick updates from last
25 time.

1 COMMISSIONER MCALLISTER: Just a quick couple of
2 notable things, so I did not get to go the AEE conference
3 this year, my first time I think ever that I haven't been
4 able to do that. I was out on vacation.

5 But just last week there was a really nice
6 conference on electrification that EPRI, the Electric Power
7 Research Institute, put on. And Commissioner Hochschild
8 was there and also Commissioner Peterman and Commissioner
9 Rechtschaffen from the PUC actually were on panels as well.

10 It was several days, but it really focused in a
11 very pragmatic way on trying to understand what the
12 electrification opportunity is for decarbonization. You
13 know, both the positives of it, which are many, but also
14 the potential pitfalls and also kind treading on the fuel
15 substitution and fuel switching issues and just kind of
16 trying to understand how electrification will move forward.
17 Obviously a lot of boosters of electrification in the
18 decarbonization realm, but also I was really impressed with
19 just the level of it.

20 And it wasn't dogmatic, but it certainly hit a
21 core. There were 1,800 people registered there, first time
22 they've done this conference. And down in Long Beach at
23 the Convention Center, so it was quite successful. I was
24 very impressed and very thoughtful thinkers, really, about
25 all the different aspects of this. A lot of technology

1 people, a lot of investors actually, but also policy people
2 really kind of going in with eyes open. And I think that's
3 going to inform our deliberations on decarbonization in the
4 IEPR this coming up year and going forward. So that was
5 really a good conference. Hopefully they do that again
6 next year.

7 And then just kind of reporting back on I've been
8 meeting with a lot of legislators, elected officials,
9 Assembly and the Senate, about just various issues. But in
10 particular the Building Standard Update and so they really
11 appreciate our kind of demystifying this with them, I
12 think.

13 And the first thing that comes up is sort of
14 housing crisis, housing affordability. And the point I
15 think that we all need to be making, or at least I'm making
16 with them, really has to do with the fact that the Building
17 Code Update, both the energy efficiency requirements and
18 the solar requirement assist in affordability. They don't
19 negatively -- they don't impede affordability. They
20 actually assist in affordability, because they create net
21 positive cash flow for people, right? So it actually is a
22 money maker that helps you free up resources to pay that
23 big mortgage that you have to get to buy this house.

24 So there's a lot of receptivity to that. But it
25 is a little complicated and so I think ongoing education

1 along those lines is something I'll be doing. And I just
2 want to kind of clue everybody into that, because you'll
3 likely get questions if it comes up in your meetings as
4 well. So that's it. That's it for this time, thanks.

5 COMMISSIONER DOUGLAS: All right. Well, I just
6 got back from a vacation and then a work-related trip to
7 Scotland. And I just wanted to report briefly on the trip
8 to Scotland. It was quite interesting. I had a chance to
9 see the only, really the only floating offshore wind
10 project in the world right now off of Peterhead, Scotland.
11 And it's an Equinor project. It's called the Hywind
12 Project. It's 30 megawatts, multiple turbines, about 15
13 miles offshore.

14 And it was really valuable to just get a sense of
15 scale and how visibility, how visible it was from different
16 vantage points and distances. And understand better how
17 those turbines were assembled, how they were brought to
18 Scotland, what the proportion of project-related activities
19 and economic generation, what occurred in Scotland, what
20 occurred in other locations. And so it was a really good
21 learning experience.

22 I also had an opportunity to have some Scottish
23 government meetings including a meeting with the Minister
24 for Energy, Paul Wheelhouse, the Scottish Government Lead
25 for large-scale renewables and the lead in Marine Scotland

1 on offshore renewable energy permitting. I think they have
2 done a very thorough job. They have pretty thorough upfront
3 planning process in Scotland. They have a lot of data
4 collection. They have a lot of community engagement and
5 they have pretty significant monitoring requirements. And
6 they have a research program and they're doing some pretty
7 interesting research. And so it was really helpful to get
8 a better perspective on that and then to think about how we
9 might use some of the work that they have done to advance
10 some of the questions we might need to understand here,
11 should such projects go into the permitting process.

12 And one of the obvious ones is marine mammal behavior.
13 We all know that marine mammals would encounter these
14 structures, but would they avoid them? Would they approach
15 them? You know what kind of interaction and so behavioral
16 aspects and might in fact inform our review of potential
17 environmental impacts. And this is just one example.
18 They've done a fair amount of avian work as well. So I
19 think there's a real wealth of knowledge and experience
20 there. And it was really helpful to get a sense of that.

21 CHAIRMAN WEISENMILLER: Just following up on
22 that, so the Governor's Military Council had their meeting
23 too last month. I was at that a couple of times.
24 Obviously offshore wind is being in the military's mind,
25 that they have lots of concerns. I mean there were a

1 variety of issues and it was a chance for the commanders to
2 share their concerns with Diana Dooley and myself and also
3 the Governor. And then to talk to the base commanders on
4 issues and answer questions so that was a good event. This
5 is probably the third annual, but certainly a large
6 membership, very important to the military.

7 I also went to the Disadvantaged Community
8 Advisory Committee of the PUC and Energy Commission. It
9 was a good workshop. We will certainly a follow up with
10 Commissioner Scott later on some of the details, but you
11 know it was a chance for that group to meet. I think this
12 is the second. Actually some of the members had gone
13 through the Equity Indicators before and this was a chance
14 for the broader group to get a presentation on Equity
15 Indicators. Certainly a lot of interest there in that.

16 And this is the second meeting. There's going to
17 be another one in Los Angeles in the fall. But certainly I
18 think the group is starting to -- you know, the first
19 meeting was set up and now they're getting more serious
20 about their interests.

21 And then finally yesterday was the roll out of
22 the Fourth Climate Change Assessment. I've been very busy
23 on that. It was featured at the local Government Committee
24 Group Adaptation Forum, so it was a perfect forum for that.
25 We've gotten a lot of interest. We foreshadowed it with a

1 National Academy of Science event in mid-August. That was
2 also pretty interesting. The first day was on our setting.
3 The second day was on what other states are doing.

4 So the federal government has its sort of climate
5 assessment since 1990. They are limited to impacts,
6 nothing on mitigation of adaptation. But even just having
7 that impacts meant that more driven by local universities,
8 but it was quite interesting to hear Nebraska, Indiana,
9 Montana, have done studies based upon the national studies
10 and looked at the impacts for changing climate on their
11 economies. But certainly these go around the country in
12 terms of that sort of analysis. The East Coast is much
13 more geared towards hurricanes and sea-level rise,
14 particularly if you go down to the Miami area or NYSERDA.
15 But again, I think everyone is in their own fashion trying
16 to come up with approaches.

17 This approach this year was really powerful in a
18 sense that first, unlike the last one which only covered
19 energy, this one covered resources and energy. And unlike
20 the last one, which could talk about average temperatures
21 in California with the downscaling it was possible to look
22 at nine regions. It was a statewide report. There was
23 also a report on tribal impacts and a report on
24 environmental justice and a report on ocean issues, so 13
25 total.

1 And there'll be a workshop near the end of the
2 week on basically the impacts on the energy system. And
3 there'll also be 13 workshops around the state in October
4 and November that deal with these topical.

5 Again, to the extent we were able in these
6 studies to talk not just about impacts but on adaptation
7 and mitigation. That obviously what one would to and say,
8 San Francisco is different than what one would do up in
9 Redding or down in the desert area or travel areas, so
10 easily tailored toward each of those areas.

11 So it's gotten a lot of attention. We've done a
12 pretty good job I think on the rollout with the Resource
13 Agency and OPR.

14 So with that, let's go Chief Counsel's Report.

15 MS. VACCARO: So I have no report out, other than
16 the fact that we will be going into a closed session today,
17 but the Chair will tee that up after we get through the
18 next couple of items.

19 CHAIRMAN WEISENMILLER: Yes. Executive
20 Director's Report?

21 MR. BOHAN: Nothing to report on. Thank you.

22 CHAIRMAN WEISENMILLER: Public Adviser Report?

23 MS. MURIMI: Dorothy Murimi, for the Public
24 Adviser, nothing to report.

25 CHAIRMAN WEISENMILLER: Okay.

1 Any public comments?

2 Okay, so following up on Kourtney's comment the
3 Commission will now go into closed session as specified in
4 Agenda Items 4a.vii and 4b.i.

5 Item 4a.vii provides notice that the Commission
6 will adjoin to closed session with Legal Counsel pursuant
7 to Government Code Section 11126(e) to discuss the
8 following litigation of which the Energy Commission is a
9 party: *Rodriguez v. State of California, Energy Resources*
10 *Commission*.

11 Item 4b.i provides notice that the Commission
12 will adjourn to closed session with its Legal Counsel
13 pursuant to Government Code Section 11126(e) to discuss
14 specified State Personnel Board, Department of Fair
15 Employment and Housing and Equal Opportunity Commission
16 matters.

17 We anticipate returning to open session at about
18 I'm going to say 11:30. Again, our forecasts on this is
19 never quite right, but it's a guess.

20 (Off the record at 10:25 a.m.)

21 (On the record at 11:50 a.m.)

22 CHAIRMAN WEISENMILLER: Good morning, back on the
23 record. No report out. The meeting is adjourned.

24 (Adjourned the Business Meeting at 11:50 a.m.)

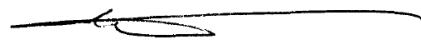
25 --oOo--

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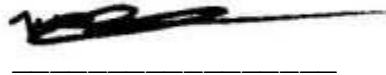
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And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 6th day of September, 2018.



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