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APPEARANCES

Commissioners

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Karen Douglas  
Andrew McAllister  
David Hochschild

Staff Present: (\* Via WebEx)

Drew Bohan, Executive Director  
Kourtney Vaccaro, Chief Counsel  
Tyler Melgosa, Public Adviser's Office  
Cody Goldthrite, Secretariat

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Interested Parties

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*Paul Kistler, Naval Base Ventura County	9
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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>	
v. <i>City of Los Angeles, acting by and through, its Department of Water and Power v. Energy Commission (Los Angeles Superior Court, Case No. BS171477).</i>	
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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.	
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P R O C E E D I N G S

SEPTEMBER 21, 2018 10:08 a.m.

CHAIRMAN WEISENMILLER: Good morning. So let's start the Business Meeting with the Consent calendar.

COMMISSIONER DOUGLAS: Move consent

COMMISSIONER MCALLISTER: Second

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: So this item passes 4-0. Commissioner Scott is not here today.

Let's go to Item 2.

MS. WILHELM: Good morning, Commissioners. I'm Susan Wilhelm of the Energy Research and Development Division. I'm here today to provide an overview of California's Fourth Climate Change Assessment. The Fourth Assessment provided a substantial infusion as new research regarding what climate change means for California and how we can cope with it.

I'd like to begin by noting that California has been assessing the impacts of climate change on the state since before the internet was invented, with an initial report released by the Energy Commission in 1989. The first three modern assessments released in 2006, '09 and 2012 have provided a strong foundation for California's ambitious, comprehensive, science-based climate policy.

1           The Fourth Assessment was led by California's  
2 Natural Resources Agency, the Governor's Office of Planning  
3 and Research and the Energy Commission. Research funded by  
4 the Resources Agency and the Energy Commission leveraged  
5 externally-funded collaborations, shown here in green, to  
6 substantially broaden the scope of research and synthesize  
7 results.

8           All of the results of the Fourth Assessment are  
9 publicly available online at [climateassessment.ca.gov](http://climateassessment.ca.gov),  
10 including 44 peer-reviewed technical reports, of which 15  
11 were funded by the Energy Commission. Nine regional  
12 reports synthesize and contextualize peer-reviewed research  
13 and stakeholder perspective for regional practitioners and  
14 policy makers.

15           The Fourth Assessment also delivered a statewide  
16 summary report and brochure as well as three reports on  
17 climate related topics of statewide importance: namely  
18 ocean and coast, tribal and indigenous communities, and  
19 climate justice. The statewide and regional reports were  
20 not a part of California's prior assessments. These are  
21 new additions, intended to strengthen dialogue between  
22 scientists, policy makers and practitioners in California.

23           Another new addition with the Fourth Assessment  
24 is the release of peer-reviewed data as interactive  
25 publicly available tools that make science readily

1 available for decision makers and policy makers. For  
2 example, the high resolution projections of climate,  
3 wildfire and sea-level rise generated to support the  
4 assessment are all available on Cal-Adapt.

5 CalHeat, or CHAT, refers to a California Heat  
6 Assessment Tool, developed to help local public health  
7 officials anticipate and cope with extreme heat. The USGS  
8 Coastal Storm Model known as CoSMoS was expanded through  
9 the Fourth Assessment research, focusing on Southern  
10 California. And it's available as two interactive tool  
11 platforms by Point Blue and by USGS.

12 The USGS Coastal Storm Model reveals that up to  
13 two-thirds of Southern California's beaches could  
14 completely erode by the end of the century without large-  
15 scale human intervention to protect them.

16 One of the Energy Commission's contributions to  
17 the assessment was development of new climate sea-level  
18 rise and wildfire scenarios to inform energy sector  
19 adaptation. Our climate scenarios tell us that  
20 California's climate is expected to get both wetter and  
21 drier, which is to say that we generally expect wetter  
22 winters and bigger storms, especially in Northern  
23 California. But the spring season is projected to be  
24 drier, extending our annual dry season and all of the  
25 problems that come with it.

1           To help inform adaptation options, in the face of  
2 uncertainty, the Fourth Assessment included middle  
3 estimates of projected sea-level rise as well as higher-end  
4 estimates that are lower probability but physically  
5 plausible.

6           After all emission pathways we expect  
7 accelerating sea-level rise. As you see on the right-hand  
8 graph rapid demise of the west Antarctic ice sheets  
9 described by the red line on the right-hand graph could  
10 translate into as much as ten feet of sea-level rise in  
11 California by 2100.

12           Wildfire projections developed for the assessment  
13 shows that years in which an extremely large area is burned  
14 are projected to become more frequent. The light blue and  
15 light pink envelopes in this graph show area burned in  
16 extreme years. Based on these projections, future extreme  
17 wildfire years to be substantially worse in terms of total  
18 area burned than what we saw in 2017.

19           One innovative study leveraged big data, more  
20 than 2 billion electricity and natural gas bills, to  
21 clarify in a spatially disaggregated way how residential  
22 energy demand would be expected to shift with changing  
23 climate. As our energy system decarbonizes, it must also  
24 evolve to meet climate-driven increases in peak demand,  
25 especially in inland and Southern California.

1           New high-resolution field measurements supported  
2 by the Energy Commission found that new subsidence rates  
3 for some levees in the Sacramento-San Joaquin Delta are  
4 about half-an-inch to just under an inch per year. This  
5 subsidence compounds the risk that sea-level rise and  
6 storms could cause overtopping or failure of levees,  
7 exposing natural gas pipelines and other infrastructure to  
8 damage or structural failure. At this rate of subsidence,  
9 some levees in the Delta may fail to meet the federal levee  
10 height standard between 2050 and 2080.

11           Several studies supported by the Commission  
12 investigated climate-related risks to the transportation  
13 fuel, natural gas and electricity sectors. These studies  
14 made use of high-resolution projections, data-intensive  
15 models and stakeholder engagement to generate locally  
16 specific knowledge of how weather-related extreme events  
17 may affect particular assets. This figure portrays current  
18 and late century inundation risks at the terminal in Long  
19 Beach, where more than 80 percent of Southern California's  
20 crude oil is offloaded.

21           This suite of studies gives stakeholders locally  
22 resolved information to help them chart flexible adaptation  
23 pathways that incorporate evolving states of knowledge and  
24 policy into the timing and implementation of resilience  
25 measures.

1           In mid-August a workshop at the National  
2 Academies of Sciences in Washington D.C. engaged  
3 scientists, policy makers and practitioners from throughout  
4 the U.S. in discussion of practical, science-based  
5 assessments, such as what California has done, to support  
6 climate action.

7           The National Academies' workshop was followed by  
8 the official release of the Fourth Assessment on August  
9 27th, at the Climate Adaptation Forum, which was attended  
10 by nearly 800 elected officials, public and private sector  
11 leaders, tribal representatives, nonprofits, communities  
12 and researchers.

13           In the weeks ahead, the final stage of assessment  
14 release will involve regionally specific events to bring  
15 together scientists and local stakeholders in discussion of  
16 the climate-related challenges that matter most to these  
17 communities. The research teams who contributed these  
18 reports are directing the events with partial logistical  
19 support from the California Energy Commission, the  
20 California Office of Emergency Services, The Local  
21 Government Commission and regional actors including  
22 universities and Climate Resolve in Southern California.

23           The Fourth Assessment has garnered the attention  
24 of regional, state, national and international audiences.  
25 It has been featured in more than four dozen media outlets

1 including the *L.A. Times*, *The New York Times*, *Nature*, *The*  
2 *Guardian* and many more.

3 I'd like to close by thanking more than 100  
4 researchers who contributed to California's Fourth Climate  
5 Change Assessment. Thanks.

6 CHAIRMAN WEISENMILLER: Yeah, thank you. That  
7 was a great summary folks. I think I really want to  
8 highlight too that going back to the slide you had that  
9 showed the history of these, basically you're also seen the  
10 history of Guido's career here, since he's been involved in  
11 these. And certainly has been a leading spirit through all  
12 these years, certainly a monumental effort on his part.

13 I think just to sort of summarize one of the  
14 differences in last -- a couple of difference in the last  
15 studies is first historically we've done the energy studies  
16 and maybe snuck a little bit of non-energy stuff in. It's  
17 the first time that there's been more parity between the  
18 two. Hopefully as we go into the Fifth, if anything,  
19 there'll be more resource focus and hopefully the same  
20 level of energy, but sort of -- obviously, there's a lot  
21 more can be done in that in that space. And certainly the  
22 combination of having peer-reviewed papers, but also  
23 summaries for more general audience is important.

24 I think one of the things that really  
25 differentiates California from other states for the

1 national effort is the national effort goes back to 1990.  
2 And the law basically says they can do climate impacts, but  
3 cannot look at mitigation or adaptation. So we at least  
4 can say not only are there issues, but basically how we  
5 might deal with those issues. And that's really critical  
6 and that's particularly why we have a lot of focus going  
7 forward on continuing to work with local governments since  
8 they're going to be really facing the land use challenges.

9 So again, thanks Susan.

10 MS. WILHELM: Thank you.

11 COMMISSIONER DOUGLAS: You know, I'll just second  
12 the comments and I think this puts us on really good  
13 footing to continue this work and continue partnerships as  
14 we move forward and think about adaptation and mitigation.

15 CHAIRMAN WEISENMILLER: Yeah, it's going a great  
16 addition to your tribal event.

17 COMMISSIONER DOUGLAS: Very good.

18 CHAIRMAN WEISENMILLER: Very good.

19 Next let's go on to Item 3.

20 MR. ALVARADO: Good morning Chair Weisenmiller  
21 and Commissioners. I am Al Alvarado. I'm a Program  
22 Manager in the Transmission Planning and Corridor  
23 Designation Office. I'm here to present a proposed  
24 resolution approving Amendment No. 1 to the existing  
25 interagency agreement between the California Public

1 Utilities Commission and the Energy Commission. The  
2 original interagency agreement was approved by the Public  
3 Utilities Commission last September and by the Energy  
4 Commission at the October 11th Business Meeting last year.

5 Under this agreement the Energy Commission  
6 provides technical support to the CPUC, which includes  
7 preparing California Quality Act documents and transmission  
8 planning analyses that are needed as part of the CPUC's  
9 formal review of transmission infrastructure applications.  
10 This proposed amendment adds other types of CPUC  
11 jurisdictional infrastructure projects seeking permits to  
12 build, which would include natural gas storage and  
13 pipelines, water projects and telecommunication projects.

14 The Siting, Transmission and Environmental  
15 Protection Division staff has the technical skills and many  
16 years of related experience from licensing their own power  
17 plants and can thereby conduct the necessary environmental  
18 review of proposed CPUC jurisdictional projects.

19 Furthermore, we're currently working on several  
20 transmission projects for the CPUC under this interagency  
21 agreement. The Energy Commission staff has also provided  
22 technical assistance to the PUC, conducting transmission  
23 network power flow studies to evaluate a utility project.

24 So the Energy Commission staff has already  
25 engaged in studies for the CPUC and has fostered a very

1 good collegial working relationship between the two  
2 agencies. The CPUC typically contracts the technical  
3 services to consultants, so this interagency agreement  
4 represents a shift of technical work to existing civil  
5 service employees. We believe that this interagency  
6 agreement and expansion of infrastructure projects  
7 established by this propose amendment represents a positive  
8 step towards a continued collaborative with the PUC. We  
9 are thereby seeking your approval for this proposed  
10 resolution and amendment to the interagency agreement.

11 With that I'm open to any questions.

12 CHAIRMAN WEISENMILLER: Great, thank you.

13 COMMISSIONER DOUGLAS: You know, I'll just  
14 comment that this interagency agreement has been a really  
15 successful partnership between the Energy Commission and  
16 the CPUC. I think it adds -- it's certainly an opportunity  
17 for our staff on the Siting side who have quite a lot of  
18 skills involving environmental review to step up and  
19 provide some support for another state agency on very,  
20 frankly very similar kinds of analyses. And this amendment  
21 expands the scope of what we could partner with the CPUC  
22 on, still very much within the core strengths of the STEP  
23 Division. And so I think this is a really good measure and  
24 I recommend it to all of you.

25 I'll go ahead and move approval of this item.

1 COMMISSIONER MCALLISTER: I'll second.

2 CHAIRMAN WEISENMILLER: Okay, all those in favor?

3 (Ayes.)

4 CHAIRMAN WEISENMILLER: This passes 4-0. Thanks

5 Al.

6 MR. ALVARADO: Thank you.

7 CHAIRMAN WEISENMILLER: Let's go on to 4.

8 MS. JUAREZ: Good morning, Commissioners. My  
9 name is Angelique Juarez. I am a Commission Agreements  
10 Manager in the Siting, Transmission and Environmental  
11 Protection Division. I am here today requesting approval  
12 of a three-year, up to \$950,000 agreement with the Aspen  
13 Environmental Group.

14 This agreement is necessary to assist in  
15 evaluating applications for energy facilities and  
16 transmission corridor designations, monitoring compliance  
17 for permitted facilities, reviewing petitions, assessing  
18 impacts of natural gas pipeline safety assessments and  
19 supporting other activities in the areas of environmental  
20 impact assessments and related regulatory matters.

21 Services providing under this contract will  
22 complement the work of Energy Commission staff as it will  
23 be narrowly focused, technical and demands a specialized  
24 skillset that the contractor can provide. The contractor  
25 will also be utilized to train Energy Commission staff and

1 transfer knowledge.

2           Before you today is a proposed resolution  
3 approving a three-year agreement with the Aspen  
4 Environmental Group, not to exceed \$950,000. Staff  
5 requests approval of this agreement and I'd be happy to  
6 answer any questions you may have.

7           COMMISSIONER DOUGLAS: I just have a brief  
8 comment. I want to make it clear that this item is an  
9 authority to spend funding, but the funding is contingent  
10 on projects being filed or work coming in that would call  
11 for that. And this is not a resource. When we work with  
12 the -- for the former item when we work for the CPUC we are  
13 generally using staff resources. This is a totally  
14 different item. This for work coming into the STEP  
15 Division on well, it says here corridor designations,  
16 compliance, petitions to amend and so on.

17           And the funding is available, because it's  
18 important for us to be able to turn this work around  
19 quickly and access relevant expertise when we need it. But  
20 if we don't need it, we don't spend it. So I'll move  
21 approval of this item.

22           COMMISSIONER MCALLISTER: Second.

23           CHAIRMAN WEISENMILLER: All those in favor?

24           (Ayes.)

25           MS. JUAREZ: Thank you.

1 CHAIRMAN WEISENMILLER: Thank you.

2 Let's go on to Item 6.

3 MS. NEUMANN: All right. Good morning, Chair  
4 Weisenmiller and Commissioners. I'm Ingrid Neumann from  
5 the Building Standards Office. And I'm bringing the City  
6 of Del Mar's request for approval of a new local energy  
7 ordinance before you today.

8 Our office encourages and assists local  
9 jurisdictions in developing and adopting local energy  
10 standards that go beyond the statewide standard adopted by  
11 the Commission. Today's ordinance will be the 19th we've  
12 brought before the Commission under the 2016 Building  
13 Energy Efficiency Standards. Local governmental agencies  
14 wishing to enforce locally-adopted energy standards must,  
15 by statute, apply to the Energy Commission for a finding  
16 that the local energy standards require buildings to obtain  
17 equal or greater energy efficiency than the current energy  
18 standards.

19 Staff reviewed the City of Del Mar's application  
20 and finds that its ordinance meets the requirements for  
21 consideration by the Commission.

22 The City of Del Mar's ordinance requires all new,  
23 nonresidential construction and nonresidential remodels  
24 over \$150,000 construction valuation, as verified by the  
25 city building official, to adhere to the 2016 CALGreen Tier

20

1 1 Standards.

2           The 2016 CALGreen Tier 1 Standards require that  
3 nonresidential building projects that include indoor  
4 lighting or mechanical systems be 5 percent more energy  
5 efficient than the current building standards. But if they  
6 include both indoor lighting and mechanical systems they  
7 required to be 10 percent more energy efficient.

8           The City of Del Mar staff found that the  
9 ordinance is cost effective and has no significant negative  
10 impact on the environment. For these reasons, staff  
11 recommends that the findings be approved and the Energy  
12 Commission resolution be signed. I'm available to answer  
13 any questions you have, as is Shaun McMahon from the City  
14 of Del Mar. Thank you.

15           CHAIRMAN WEISENMILLER: Great, thank you.  
16 First, are there any comments from anyone in the room?  
17 Anyone on the line?

18           Commissioner McAllister.

19           COMMISSIONER MCALLISTER: Thanks, Ingrid. I  
20 appreciate it. I guess we've done a number of these, as  
21 you said the 19th. This one is actually relatively  
22 straightforward, because CALGreen's vetting process has  
23 done all the work for us. So CALGreen Tier 1 has already  
24 been through our process and so it's relatively  
25 straightforward for the city to use that as a baseline.

21

1 And I'll just say CALGreen is a great resource. It's a  
2 great pathway to sort of push the envelope on the building  
3 standards and get local government's comfort in going  
4 beyond code, so we can then learn from that as our virtue  
5 of cycle, kind of happens. So I'd advocate for this item.

6 Okay. All right, and I'll move Item 6.

7 COMMISSIONER DOUGLAS: Second.

8 CHAIRMAN WEISENMILLER: All those in favor?

9 (Ayes.)

10 CHAIRMAN WEISENMILLER: Item 6 passes 4-0.

11 Let's go on to Item 7.

12 MS. OWNBY: Good morning, Commissioners. My name  
13 is Adrian Ownby and I'm with the Building Standards Office  
14 in the Efficiency Division.

15 This item is a nonresidential technical support  
16 contract with NORESCO, LLC for 3.75 million over three  
17 years. The contract will provide crucial technical support  
18 for both the implementation of the 2019 Energy Code and the  
19 development and implementation of the 2022 Energy Code.  
20 Key tasks in this contract include the development of time  
21 dependent valuation of energy, efficiency measure  
22 identification and analysis and California Building Energy  
23 Code compliance software development and implementation.

24 And with that I'd like to request approval of the  
25 contract and I'm happy to answer any questions you might

1 have.

2 CHAIRMAN WEISENMILLER: Thank you. First, is  
3 anyone in the room with any comments? Let's go on to the  
4 phone then.

5 (Off mic colloquy.)

6 Please, anyone on the phone that has comments  
7 please speak now. Is that Dimitri? I didn't think he was  
8 going to comment.

9 MR. CONTOYANNIS: Hi, this is Dimitri. Adrian  
10 asked me to listen in to respond to any questions that may  
11 come up, but I have no comments. Thank you.

12 CHAIRMAN WEISENMILLER: Okay. Thank you.

13 Let's transition to the Commissioners.

14 COMMISSIONER MCALLISTER: Yeah, so this is a  
15 really a key resource for implementation of the Building  
16 Standards. So once, as you remember back in May, we  
17 adopted the regulation language actually. There were a lot  
18 of steps after that to actually implement the Building  
19 Standards and this is for the nonresidential side. So the  
20 market, all the builders in local jurisdictions need much  
21 detail to actually implement the Standard, and so that's  
22 what this is all about. And this contract is a key  
23 resource for staff to help get that done. So if there are  
24 no comments I will move Item 7.

25 COMMISSIONER DOUGLAS: Second.

1 CHAIRMAN WEISENMILLER: All those in favor?

2 (Ayes.)

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

5 MR. OWNBY: Thank you.

6 CHAIRMAN WEISENMILLER: Thank you.

7 Let's go on to Item 8.

8 MR. JOHNSON: Good morning, Chair and  
9 Commissioners. My name is Mark Johnson. I'm with the  
10 Fuels and Transportation Division. I am presenting a grant  
11 agreement for possible approval that would provide  
12 operation and maintenance funding for a hydrogen refueling  
13 station.

14 In August of 2017, the Alternative and Renewable  
15 Fuel and Vehicle Technology Program released the first  
16 come, first served light-duty vehicle hydrogen refueling  
17 infrastructure operation and maintenance support grants.  
18 The purpose of this solicitation is to provide operation  
19 and maintenance support funding for publicly accessible  
20 hydrogen refueling stations that did not previously receive  
21 operation and maintenance support funding, or which  
22 received only a portion of the potential \$300,000 in  
23 operation and maintenance support funding.

24 The purpose of offering operation and maintenance  
25 support funding is to ensure that hydrogen refueling

1 stations remain operating during the rollout of fuel cell  
2 electric vehicles.

3           The grant agreement being presented today is for  
4 a station located in Thousand Oaks, which qualifies for  
5 operation and maintenance support funding. This agreement  
6 will require the station operator and operator to report  
7 details of the station operation and maintenance to the  
8 Energy Commission, which includes rent, electricity  
9 consumption, maintenance, dispensing and hydrogen  
10 deliveries for three years from the effective date of the  
11 agreement.

12           Thank you for your consideration of this item and  
13 I'm happy to answer any questions you might have.

14           CHAIRMAN WEISENMILLER: Thank you. Let's start  
15 with any comments from anyone in the room? We have one  
16 blue card. Please come on up.

17           MR. STEPHENS: Thank you, Commissioners and good  
18 morning. My name is Shane Stephens. I'm one of the  
19 founders of FirstElement Fuel, the grant recipient. We're  
20 proud partners of the Energy Commission in building  
21 California's retail hydrogen network. We've put the CEC's  
22 grant dollars to work to open 19 hydrogen stations in the  
23 State of California. And we have 12 more under  
24 development.

25           To date, on those 19 open stations we've

1 completed 208,000 successful fills. We've removed 45.8  
2 million gasoline miles from the road and replaced those  
3 with zero emission fuel cell vehicle miles. And we've  
4 eliminated 28.7 million pounds of CO2 from the atmosphere,  
5 by our estimates in doing that.

6 In staying true to our mission, which is to  
7 foster the widespread adoption of fuel cell vehicles we  
8 also go to extraordinary lengths to focus on the customer  
9 experience. This includes building a team of technicians  
10 here in California that make sure that stations are up and  
11 available as close to 100 percent of the time as possible,  
12 so customers can get access to retail hydrogen.

13 We also have 24/7 call center for customer  
14 support. And we're doing all of this while trying to keep  
15 downward pressure on the price of hydrogen on the pump.  
16 And I can tell you that these things would not be possible  
17 without these O&M grant dollars. They are so critical to  
18 what we were doing for the customer experience, especially  
19 during the next three or four years, which is the really  
20 hard period when we go from thousands of fuel cell cars on  
21 the road to ten thousands of fuel cell cars.

22 So thank you very much for the support. We are  
23 putting this to work and doing great things with these  
24 grant dollars. We appreciate it.

25 CHAIRMAN WEISENMILLER: Thank you.

1           Any comments from anyone on the phone? Let's  
2 transition to the Commissioners.

3           As I said earlier Commissioner Scott is not  
4 available today, but I'm sure she would be very  
5 enthusiastic in her support for this contract.  
6 FirstElement has been one of our best partners in getting  
7 these fueling stations out. We certainly appreciate your  
8 focus on the customer experience and frankly there have  
9 been some issues with other providers. But as we go  
10 forward, it's really important to make this a routine part  
11 of California's transportation landscape. So thanks again  
12 for your hard work on this.

13           COMMISSIONER MCALLISTER: All right, I'll move  
14 this item.

15           COMMISSIONER DOUGLAS: Second.

16           CHAIRMAN WEISENMILLER: All those in favor?

17           (Ayes.)

18           CHAIRMAN WEISENMILLER: This also passes 4-0.  
19 Thanks again.

20           Let's go on to Item 9.

21           MR. ERNE: Good morning, Commissioners. I'm  
22 David Erne, with the R&D Division. I'm here to seek  
23 approval to fund a microgrid at the Port Hueneme facility  
24 of Naval Base, Ventura County. The microgrid will support  
25 a critical server farm and it will be particularly designed

27

1 to address the electric instabilities that server farms are  
2 sensitive to. And they will also be designing this  
3 microgrid, so that it can be a replicable model for other  
4 server farms or other facilities that have similar issues  
5 with electric instabilities.

6 Seeking adoption of this award, we have Paul  
7 Kistler, who's the Navy Project Manager who is online, as  
8 well as Robert Schainker, the EPRI PM who will be available  
9 if you have any specific questions.

10 CHAIRMAN WEISENMILLER: Great. Thank you.

11 So let's start with if there's anyone in the room  
12 who has comments on this? How about switching over to the  
13 phone line?

14 UNIDENTIFIED SPEAKER: It's open.

15 CHAIRMAN WEISENMILLER: It's open and so for both  
16 of you, why don't you identify yourselves? And certainly  
17 if you have comments that would be great and if you want to  
18 just stand by for questions, that also works. Okay. Do  
19 you want to identify yourselves?

20 MR. KISTLER: Yes. This is Paul Kistler with the  
21 Navy. I was hoping that Robert Schainker would go ahead of  
22 me if he's on the line.

23 CHAIRMAN WEISENMILLER: Okay. We don't think  
24 he's on the line.

25 MR. KISTLER: If not, I can start.

1           CHAIRMAN WEISENMILLER: Why don't you start then,  
2 sorry.

3           MR. KISTLER: Okay. Good morning Chairman  
4 Weisenmiller and Commissioners. The main thing I want to  
5 express is the value of working together to meet the future  
6 energy needs of California and the military. Energy  
7 resiliency and reliability are critical to the mission of  
8 the Navy. With the CEC grant we are able to provide to one  
9 of the highest priority facilities within our base,  
10 increase reliability, improve resiliency, further reduce  
11 greenhouse gas emissions and also be a model for other Navy  
12 and DOD bases to follow.

13           We look forward to fully implementing the  
14 microgrid, so we can demonstrate the value the microgrid  
15 provides the base, the local community, Southern California  
16 electric utility and California Energy Commission. We  
17 appreciate the confidence the Energy Commission has placed  
18 on us. I know the Navy Facilities Engineering Command and  
19 the California Energy Commission have a long history of  
20 working on successful projects together. And we feel this  
21 will be another showcase project for California.

22           The project also helps Navy build in-house skills  
23 and experience with microgrids and batteries that can be  
24 applied to other bases in California and worldwide support  
25 to the war fighters. And I am happy to answer any

1 questions at this time.

2 CHAIRMAN WEISENMILLER: Thank you.

3 MR. KISTLER: Thank you.

4 CHAIRMAN WEISENMILLER: No one from EPRI, so  
5 let's transition over to the Commissioners to talk about  
6 this.

7 As I was going to say earlier, last month I went  
8 to the Military Council and the Governor, Diana Dooley and  
9 I met with the bases in California. There's always been a  
10 premium placed by the Governor by having a very strong  
11 working relationship with the bases in California. And  
12 certainly that's been one of the things, which we've really  
13 focused on at the Energy Commission, particularly in the  
14 R&D area. There's a very strong focus on resilience at the  
15 bases. And they've been great partners, so far in our R&D  
16 activities. So I think this is going to be another great  
17 project, looking forward to the results.

18 COMMISSIONER DOUGLAS: I'll move approval of this  
19 item.

20 COMMISSIONER MCALLISTER: Second.

21 CHAIRMAN WEISENMILLER: All those in favor?

22 (Ayes.)

23 CHAIRMAN WEISENMILLER: Thanks. So this passes  
24 4-0.

25 Let's go on to Item Number 10.

1           MR. CROFT: Good morning, Commissioners. My name  
2 is Josh Croft from the Energy Research and Development  
3 Division. I'm requesting Commission approval today for 18  
4 small grant proposals for our most recent CalSEED  
5 solicitation. CalSEED provides small grants and resources  
6 to early stage technologies.

7           CalSEED held its second open application period  
8 earlier this year and received over 200 eligible  
9 applications. The applications were split into two groups  
10 with approximately half being scored in this round and the  
11 rest being scored in a future round. This application  
12 period, CalSEED had a focus on ensuring stronger geographic  
13 diversity. And CalSEED directed applicants to submit  
14 proposals to one of four groups based on their geographic  
15 location.

16 There are four to six highest ranked applications per  
17 region that are up for your consideration today.

18           These applications span a wide range of  
19 technologies, with most corresponding to energy storage,  
20 generation or efficiency. Some were at the concept stage  
21 whereas others had a basic prototype tested in the lab.

22           The applications were evaluated for long-term  
23 technical potential, impacts including potential to  
24 positively impact disadvantaged communities and the  
25 expertise and readiness of the applicant team. I'll be

1 giving a brief summary of all 18 projects. I've ordered  
2 them by region with Central Valley being first.

3           The first project from the Central Valley is a  
4 microchip irrigation system that operates at a much lower  
5 pressure, which greatly decreases the energy use. The  
6 system is able to do this because of a new innovative  
7 filter that combines several functions into one unit.  
8 During the project the team will finish the design and  
9 patents and will test the filter on a campus farm at Fresno  
10 State.

11           Moving on, the next small grant goes to DTE  
12 Materials for a natural and sustainable building insulation  
13 that's looking to replace fiberglass. What sets DTE  
14 materials apart is that unlike other natural fiber-based  
15 solutions theirs does not settle and will have a low cost.  
16 Other natural fiber insulations can settle, which decreases  
17 the energy efficiency of the building. During the project  
18 the team will improve the technology as well as simulating  
19 the manufacturing process.

20           The next project supports an innovation that  
21 integrates phase change material into a building duct in  
22 order to decrease the load of an HVAC system. Using this  
23 special duct the system passively removes heat from the air  
24 before it is treated by the HVAC. The team will build a 10  
25 percent scale prototype and will focus on increasing the

1 effectiveness and value of the phase change materials.

2           The next project is an easy commercial retrofit  
3 solution for florescent light fixtures. Empow Lighting has  
4 a low-cost LED lighting sheet that can snap into existing  
5 light fixtures. The technology spreads light into a wide  
6 area and is cheaper than other LED retrofit solutions. The  
7 team seeks to build a prototype for their retrofit lighting  
8 technology and demonstrate their prototype in a commercial  
9 building setting.

10           Our firth project moves us to the first of the  
11 San Diego region awards. A researcher from UC Riverside is  
12 demonstrating a way to double the production of renewable  
13 methane at places like wastewater facilities. The team  
14 will insert carbon dioxide microbubbles into the system  
15 using a fluidic oscillator, which will distribute the  
16 microbubbles in a way which helps increase the methane  
17 production.

18           The next project is a battery innovation.  
19 Silicon carbon anodes increase the capacity of lithium  
20 batteries, but have been hard to manufacture at scale.  
21 This project will demonstrate an innovative manufacturing  
22 process that addresses prior manufacturing barriers and  
23 increases the performance of the technology. If  
24 successful, lithium ion batteries will have increased  
25 capacity and last longer.

1           Next is the innovation for second life batteries.  
2 After batteries are used in an electric vehicle they have  
3 decreased performance characteristics, but can still be  
4 used for grid services. However, different EV batteries  
5 have different chemistries and ages and this makes them  
6 harder to integrate together. Smartville Energy's plug and  
7 play inverter matrix is designed to use these diverse  
8 battery sets together in a way that maximizes each  
9 battery's performance and lifetime value. During the  
10 project, the team will develop and test the prototype and  
11 develop a business plan.

12           Our last San Diego region project supports  
13 research for a technology that directly creates pressurized  
14 air from the ocean's energy. The pressurized air can then  
15 be used to create electricity and power resiliency for  
16 ports and coastal cities. With CalSEED funds, a miniature  
17 prototype will be developed and tested at Scripps Institute  
18 of Oceanography.

19           Moving to our Los Angeles region awards Crossno &  
20 Kaye is developing a method to shift load in industrial  
21 warehouses that need cooling. Using information from IOT  
22 sensors, knowledge about the warehouse characteristics and  
23 its contents and grid pricing information, their algorithm  
24 safely overcools the warehouse contents for where it's best  
25 for the grid. As we continue to increase the amount of

1 renewable energy on the grid, industrial load shifting  
2 techniques such as this one will become increasingly  
3 important.

4           Our tenth project titled "Invisible Front  
5 Contacts for Solar Cells" supports a technology that  
6 addresses losses in solar PV output due to the shading from  
7 the front contacts. The technology can increase solar PV  
8 output by 5 percent. And during the CalSEED agreement the  
9 team plans to break the PV efficiency record by combining  
10 their technology with a concentrated solar PV system and  
11 achieving the efficiency of approximately 50 percent.

12           Moving on the next award is to an easy to  
13 install, easy to move, sustainable solar product for  
14 California homes and apartments. This team is creating a  
15 flexible thin film portable solar shrub using advanced  
16 multi-material 3D printing. The team will also work on an  
17 algorithm that will allow the shrub to automatically  
18 reconfigure itself based on the changing amounts of shade  
19 and sun throughout the day.

20           Continuing, Project 12 titled "Pronoia Energy  
21 Storage Device" is continuing prototyping and research and  
22 development on a new type of battery. This new energy  
23 storage method may be able to store 10 or 100 times as much  
24 energy in the same space. Instead of chemicals the battery  
25 uses nano-sized electric dipole systems and has no

1 electrolyte or separator. As it does not have these things  
2 there may also be minimal capacity loss over time.

3           The next project is titled "SolarBlock" and is  
4 being awarded to Pick My Solar. The team will finish  
5 development and start a small pilot test on a block chain-  
6 based transaction platform for community solar projects.  
7 This technology will lower costs associated with community  
8 solar while increasing reliability, speed and accuracy for  
9 the community members buying and selling electricity.

10           The 14th project for consideration is InPipe  
11 Energy. This technology captures otherwise wasted energy  
12 associated with pressure reduction valves in industrial  
13 water systems. Often times, when water is transported it  
14 is depressurized as it moves closer to delivery. The  
15 technology is designed to fit onto existing infrastructure  
16 and can power the controls and sensors associated with  
17 industrial water transportation. During the project the  
18 team will continue the design of the hardware and its  
19 controls.

20           Last is our Bay Area region awards, first is a  
21 project titled "Cooling Mobile Data Centers with the Sky."  
22 This project will develop a passive cooling technology that  
23 radiates heat to the sky with a system that uses an order  
24 of magnitude less energy to remove heat compared to normal  
25 data center cooling methods. During the project, the team

1 will optimize the hardware design and assess how energy  
2 savings might differ in various regions of California.

3           The second Bay Area project funds development and  
4 demonstration of a new way to limit and control a battery  
5 when it is short circuiting. This new method will allow  
6 for lighter and cheaper battery protection that is printed  
7 directly onto the battery cell. During the project, Palo  
8 Alto Research Center will develop and test their technology  
9 on lithium ion coin batteries.

10           The next project titled "Mobile Envelope Dam  
11 Electrification System" aims to provide a way to quickly  
12 electrify dams and canals in a matter of weeks instead of  
13 years. The technology will siphon water into a turbine in  
14 a way that is designed to not require significant civil  
15 engineering or structural load analysis at the site.  
16 CalSEED funds will support the construction of a prototype,  
17 which will be evaluated in a test bed environment.

18           The last project before you today is a compressed  
19 energy storage technology that uses an innovative liquid  
20 piston to increase efficiency using a liquid allows for  
21 increased heat transfer area, which increases the  
22 performance of the storage technique. The liquid is  
23 magnetically stabilized and the team is hoping to  
24 demonstrate a roundtrip efficiency of 70 percent.

25           Overall, these projects represent an exciting

1 wide range of CalSEED small grants. I'll be happy to  
2 answer any questions that you may have. For those  
3 interested in learning more about CalSEED small grants and  
4 staying up to date there's a website available, which is  
5 shown on the screen. Thanks.

6 CHAIRMAN WEISENMILLER: Thank you.

7 Let's start with are there any comments from  
8 anyone in the room? Please. Come on up.

9 MS. DALSTROM: Good morning Commissioners and  
10 Colleagues. My name is Tenley Dalstrom. And I'm the  
11 Director of California programs at the California Clean  
12 Energy Fund. It's my privilege to lead the team  
13 administering the California Sustainable Energy  
14 Entrepreneur Development Initiative, more commonly known as  
15 CalSEED.

16 The CalCEF team is excited to be here today to  
17 recommend our second cohort of CalSEED awardees. These 18  
18 organizations are early stage startups working on energy  
19 efficiency, generation, storage and electric transport. As  
20 clean tech truly is the rising tide that lifts all boats we  
21 have worked to strategically diversify our applicant pool  
22 and this opportunity was made available to entrepreneurs  
23 represented within the clean tech ecosystem regions of  
24 Central Valley, San Diego, Los Angeles and the Bay Area.

25 Our management approach is focused on continuous

1 improvement. And we endeavor to strengthen the program  
2 through the application of lessons learned and best  
3 practice. We seek to foster strong partnerships with the  
4 CEC, the clusters within the ecosystem and our partners to  
5 better serve our community of entrepreneurs.

6 Our team strives to create a robust network and  
7 community of CalSEED awardees and alumni with whom we share  
8 information about resources related to market and policy  
9 trends and provide opportunities for funding, training,  
10 collaboration and mentorship.

11 In 2017, 48 percent of the \$4 billion worth of  
12 clean tech investments within the United States occurred  
13 within the State of California. We're committed to  
14 furthering the state's leadership and agreement economy  
15 through supporting the vision, ingenuity and dedication of  
16 our awardees. Thank you very much for the opportunity to  
17 support the state's significant clean energy commitments.

18 CHAIRMAN WEISENMILLER: Thanks for being here.

19 Anyone else? Please. Again, the court reporter  
20 will need your cards.

21 MR. DENNING: My name's Zach Denning. I'm the  
22 CEO of EnerDapt. We were a CalSEED awardee. I apologize  
23 if I talk too fast, I'm about six cups of coffee and three  
24 hours of sleep right now, but we're a startup. We're local  
25 to Sacramento.

1           We found that small medium-sized commercial  
2 office buildings from about 30,000 to 200,000 square feet  
3 are terribly inefficient. So HVAC systems don't work  
4 correctly and we've been able to save between 30 and 40  
5 percent energy in HVAC. So we bootstrapped the company on  
6 our own, me and my cofounder. We did win the CalSEED  
7 award, which has really helped us get off the ground and  
8 start commercializing, start prototyping.

9           So far, we've been able to acquire 500,000 square  
10 feet locally, in the Sacramento area; 250,000 of that real  
11 estate is in poverty stricken areas. From our initial  
12 projections right now, running for about three to four  
13 months in that half-million square feet is about 1,500  
14 megawatt hours of energy saved annually. So we're hoping  
15 to be able to acquire another half-million square feet  
16 before the end of the year and keep scaling. So CalSEED  
17 has been fantastic for us. Thank you.

18           COMMISSIONER MCALLISTER: That's fantastic.

19           CHAIRMAN WEISENMILLER: That's good, very good.

20           Anyone else? Anyone on the phone?

21           (No audible response.)

22           CHAIRMAN WEISENMILLER: Great. Okay, so then  
23 again transitioning to the Commissioners.

24           Now, I think we've been working for years trying  
25 to figure out how to encourage innovation in California.

1 Historically we've had the San Diego program, which  
2 transitioned to CalSEED. This is the second traunch and  
3 we're looking forward for great things from these folks.

4 COMMISSIONER HOCHSCHILD: Thank you, Mr.  
5 Chairman. I just really want to compliment you as the lead  
6 for R&D and EPIC for this. I confess when I first became  
7 aware of this idea we're going to do these small grants I  
8 was somewhat skeptical, because it's just not that much  
9 money. And my view has really changed.

10 I just think what's happening now is that over  
11 the last four years clean tech venture capital in  
12 California has increased from 28 percent to 48 percent, so  
13 we're getting half the money coming to our state. And by  
14 being the seed bed we're really sort of dedicated and it  
15 just gives the idea sort of clean energy safaris for  
16 investors to come into our state and see all these  
17 startups. And our role is just helping them get a little  
18 momentum that positions them well to attract for their  
19 follow-on investment.

20 And I actually now question whether this program  
21 is big enough as a share of our total hours, because it's  
22 just so exciting to see this. I also think we need to --  
23 CALGreen (phonetic) had a really momentous month in terms  
24 of new policy in California with SB 100, with Senator  
25 Stern's decarbonization bill and others. And I think

1 looking ahead, to me demand is going to be as important as  
2 supply in terms of being able to adopt higher and higher  
3 penetration of renewables and that is a real area of  
4 interest and obviously electrification is continuing to get  
5 -- and we know the grid is going to be (indecipherable)  
6 clean energy migrating all the services that are now  
7 powered by diesel, by natural gas and gasoline onto the  
8 grid becomes even more paramount. And so I'm just really  
9 excited by what I'm seeing here with these and the earlier  
10 traunch as well.

11 But looking at them I think we need to calibrate  
12 some of these developments and look forward to working with  
13 everyone on that. But just thanks to the entrepreneurs  
14 that are here and Laura and Eric for shepherding this whole  
15 thing and Danny for you and your team's great work.

16 CHAIRMAN WEISENMILLER: Go ahead.

17 COMMISSIONER MCALLISTER: Yeah, I second all of  
18 that. Great to hear Commissioner Hochschild emphasize  
19 demand. I love it, love it, love it. You know, I think  
20 buildings are the platform where all these solutions pretty  
21 much go and the distribution grid is really the main focus;  
22 a central if not the central focus of reliability  
23 discussion going forward. And so I really agree that this  
24 sort of panoply of projects together really represent tons  
25 of opportunity.

1           And I think particularly hearten both on the res  
2 and non-res that you've got load shifting technologies in  
3 there. You know, moving energy around is going to be just  
4 as important as saving energy, generally. And so I think  
5 those two things really help make each other can happen  
6 together. And there are several projects here at least  
7 that do that just directly go right for it, so fabulous  
8 stuff.

9           And I appreciate the under-slept and over-  
10 caffeinated entrepreneurial spirit. That's exactly what  
11 we're trying to promote here. So it's a great thing to put  
12 some resources into. So I just wanted to compliment Josh  
13 on a great presentation, so thanks for that.

14           CHAIRMAN WEISENMILLER: Yeah, no that's good.

15           Yeah, I was going to say actually I've seen other  
16 programs. The surprising thing is that small scales like  
17 this in terms of dollars are the ones that have the impact;  
18 that when people have tried to go to a million plus they --  
19 you know, it's not nearly as much. And I think for CalSEED  
20 the good news we have it out, I think certainly going  
21 forward is always going to be important to develop a record  
22 on what really happens.

23           We're hearing great enthusiasm here today and  
24 really good projects, but I mean ultimately the test for  
25 the PUC and others is going to two or five years from now,

1 which of these startups really have launched? And  
2 certainly I hope all of them, but the reality is that the  
3 value of definite issues along the way.

4 So anyway, a great start here and I think we're  
5 all enthusiastic waiting for the next traunch. And again,  
6 I think certainly the message in part is to really develop  
7 that track record and what comes out of it.

8 COMMISSIONER HOCHSCHILD: What about can someone  
9 refresh my memory on the follow-on? There is a \$600,000  
10 follow-on grant right, where you can be sort of the stage  
11 gates?

12 MR. CROFT: Right, yeah so the more successful of  
13 the original ones do get a chance to compete in a business  
14 plan competition, which is actually upcoming and they will  
15 get a follow-on funding of \$450,000.

16 COMMISSIONER HOCHSCHILD: So \$450,000, so a total  
17 of \$600. Okay.

18 CHAIRMAN WEISENMILLER: Yeah. Great, okay so to  
19 move --

20 COMMISSIONER HOCHSCHILD: I move the item.

21 COMMISSIONER MCALLISTER: I second.

22 CHAIRMAN WEISENMILLER: All those in favor?

23 (Ayes.)

24 CHAIRMAN WEISENMILLER: This item passes 4-0.

25 Thanks again.

1 Let's go on to minutes.

2 COMMISSIONER DOUGLAS: I move the minutes.

3 COMMISSIONER MCALLISTER: Second.

4 CHAIRMAN WEISENMILLER: All those in favor?

5 (Ayes.)

6 COMMISSIONER HOCHSCHILD: I will abstain.

7 CHAIRMAN WEISENMILLER: Okay. So it's 3-1 to 0,  
8 so this is a pass.

9 Lead Commissioner, Commissioner McAllister?

10 COMMISSIONER MCALLISTER: Oh no, I have to go  
11 first?

12 CHAIRMAN WEISENMILLER: Yeah.

13 COMMISSIONER MCALLISTER: Commissioner Scott's  
14 out. I'm not sure if I can match her level of enthusiasm,  
15 although it's just not my way. But just imagine it being  
16 there, because it's there.

17 But yeah, let's see I just have a few things I  
18 want to talk about. A bunch of staff and I visited the  
19 Sheet Metal Training Center in Fairfield and just  
20 incredible work going on there. They're vetting all these  
21 new technologies. They're looking at all the different  
22 refrigerants. They're coming up with really improved  
23 practices all the time. And they can turn right around and  
24 train HVAC technicians in those. And those resources are  
25 really -- there's a few facilities around the state, but I

45

1 think this might be the largest one. In Southern  
2 California there's one that's roughly similar, but Dave  
3 Diaz hooked us up with a tour and it was just fantastic.

4           And so quality really matters. I mean, I think  
5 that's one thing that I believe more and more as we go  
6 along in our existing building work is that all projects  
7 are not created equal. And quality is really what gets us  
8 our savings. And so that's exactly what the CAL SMACNA  
9 folks and the training center are promoting, so it was  
10 really terrific.

11           We did a press conference at Home Depot around  
12 lighting. And Matthew Hargrove at the Business Properties  
13 Association and Feit Electric both participated in that.  
14 And it's just incredible the pace of evolution of the LED  
15 marketplace. I mean there is a whole row of any product  
16 you want, you can find it. The challenge is actually  
17 there's almost too much choice and people get confused.  
18 And so the old incandescent light bulb in its various forms  
19 in its screw base, that's not the decision you're faced  
20 with. It's more complicated. You can choose the color.  
21 You can choose obviously a lot of different styles, many  
22 brands competing for market share there. So it's really  
23 quite exciting. It's not just Home Depot. Obviously all  
24 the retailers are carrying all these lights and a lot of  
25 brand competition.

1           Their ability to manufacture improved lighting,  
2 their product cycles are actually speeding up and so new  
3 innovations can get in the marketplace quickly. It's  
4 really phenomenal. So it's good to highlight that with one  
5 of our retail partners across the state.

6           And then finally, I'll just make some general  
7 comments about GCAS. I mean everybody is going to talk  
8 about that likely, but last the Global Climate Action  
9 Summit was last week. And I've got to give kudos to Jaimie  
10 and Amy and the crew at the Governor's Office and obviously  
11 many, many partners that they recruited to pitch in. It  
12 also was certainly a big coalition effort.

13           And I have to say the production quality of the  
14 event itself was phenomenal. It was incredible. Just the  
15 level of the graphics and the staging and lots of big names  
16 there, lots of people really on our side on this and I  
17 think one thing I took, I gave like nine talks. I mean my  
18 voice was going by Thursday and it was all just extremely  
19 positive. You know, not without controversy. There were  
20 lots of different scenarios we can imagine about how to get  
21 carbon neutrality and to our climate goals. But just this  
22 incredible sense of can do and positivity and possibility  
23 globally, you know, it was a big international crowd.

24           And I think it's just remarkable how many people  
25 -- we knew this kind of generally speaking, but how many

1 people in institutions across the world are rooting for  
2 California and are really invested in what we're doing.  
3 It's tremendous, because they sort of look at California  
4 and say hey, we're putting in resources. We've just heard  
5 an incredible innovation.

6           And we just have generally a suite of policies  
7 that are maybe not always entirely consistent 100 percent,  
8 but they're all rolling in the same direction. And so for  
9 the most part we have challenges. We've got to focus on  
10 reliability in the electric system. We've got to figure  
11 out what the evolution of the natural gas system is going  
12 to be. But everybody seems up for the challenge. And I  
13 think the week really reinforce that multiple times for me.

14           Just a couple of the institutions I think that  
15 the activities that I wanted to highlight, we had a Carbon  
16 Smart Buildings Day, which was basically everybody in the  
17 building space. And turning from sort of a zero energy  
18 focus to a decarbonization focus was my goal for the  
19 Challenge 3, the Buildings Challenge at GCAS. And I think  
20 we achieved that. We're now talking about building  
21 decarbonization and we're not focusing nearly as much on  
22 sort of the zero net energy goal. And that's appropriate.  
23 Not that ZNE is a bad thing, but it's really we've got to  
24 go for the jugular right, which is carbon and climate  
25 change itself.

1           And then the U.N. has an initiative called the  
2 Global ADC, the Alliance for Building and Construction. So  
3 that was a very -- it's focused more in Europe obviously,  
4 because of U.N.s based in Paris; that particular  
5 initiative. But marshalling a discussion that really  
6 complements ours and so that event was really well received  
7 and was really terrific, hosted by Auto Desk that is doing  
8 a lot of really innovative work with big data and design  
9 and tremendous contribution to the building space as well.

10           So just a couple of highlights, I think lots of  
11 marquee names and we really got to network I think with the  
12 main movers and shakers in the climate change movement  
13 across the world. I think that was really the achievement  
14 of GCAS. And I hopefully we can keep that momentum going  
15 and it'll remain action oriented as the name suggests.

16           So anyway I'm still sort of lifted up by that and  
17 I think will be for a while.

18           COMMISSIONER DOUGLAS: Well, I also found the  
19 summit to be really inspiring and exciting and had an  
20 opportunity to participate in a large number of panels and  
21 events and just I learned a lot from some of the panels  
22 that I just attended.

23           I went to some of the ocean events. There was a  
24 whole Ocean Day setup and it was quite fun and it was  
25 really interesting. There were some people from Hawaii who

1 supported the summit by sailing a traditional canoe to  
2 California, navigating in the traditional way and it was  
3 pretty amazing to hear them speak. And so you know there  
4 were a number of forums that I took part in, or in one case  
5 not connected to the summit, but just as an educational  
6 sort of side event.

7 We worked with representatives from Scotland and  
8 Denmark to host an informational forum on offshore wind  
9 permitting in Scotland and Denmark. And then the kinds of  
10 approaches they take and data they collect and so on and so  
11 that was really interesting and really helpful of them to  
12 participate in that.

13 I'll just add that on Monday the California BOEM,  
14 which stands for Bureau of Ocean Energy Management  
15 Taskforce on Offshore Wind met. And BOEM put forward some  
16 kind of preliminary potential call areas for areas that  
17 they're considering collecting information on as possible  
18 areas for offshore wind in California. So there's a  
19 timeline behind that process. But at the moment where that  
20 process is, is that the taskforce members and by extension  
21 everyone who is interested can get the information online  
22 and has an opportunity to see what is at least thought  
23 about and at this early stage in that process. So I think  
24 that's all I've got for today.

25 COMMISSIONER HOCHSCHILD: Well thank you, Mr.

1 Chairman. I just want to remark that to me the Climate  
2 Summit was a homerun, but it really was a capstone of  
3 what's been the most fulfilling and rewarding year I've had  
4 in almost working in clean energy policy. And I just want  
5 to recap, because we began the year with the Lighting  
6 Standard going into effect, which the progress you  
7 described being -- Commissioner McAllister, it really is  
8 because of the standard you led moving the state from  
9 incandescents to LEDs.

10           And then late January the Governor raised the  
11 zero emission vehicle goal from 1.5 to 5 million electric  
12 vehicles. We have now over \$3 billion of commitments for  
13 electric vehicle charging infrastructure investments and we  
14 were at 6,000 electric vehicle sales a month in January.  
15 We're at 18,000 today. Right, the market's taking off as  
16 we hoped.

17           In May we did a Zero Net Electricity Standard,  
18 cutting energy bills by 53 percent and I think paving the  
19 way for a lot of other states to follow suit and  
20 incorporate clean energy into the buildings.

21           And then this legislative session we made  
22 progress across the board including Senator Skinner's bill  
23 to encourage the ride hailing apps Uber and Lyft and others  
24 to green their fleets. And Senator Stern's bill on  
25 decarbonization and the landmark legislation the Governor

1 signed in SB 100. And I want to just share a few thoughts  
2 about why I support the Governor's decision to do that.

3 Obviously it's been a subject of much discussion  
4 over many years with the Legislature, the Governor,  
5 investors and entrepreneurs and industry and the public  
6 health and environmental community and number of the Board  
7 Members of the ISO. But by settling that question that  
8 we're moving to a clean energy grid, it really allows us I  
9 think now to focus squarely on the pieces of the puzzle  
10 that are not yet done. Including regionalization, which I  
11 think is essential to our long-term success and  
12 electrification and migrating services that are now not on  
13 the grid, to the grid.

14 And we're seeing this. It's happening in ways I  
15 think none of us expected. I mean just around the corner,  
16 there's a new charging station for JUMP electric bikes.  
17 Uber made a big investment. They're already seeing Uber  
18 car rides go down in areas where they've deployed the  
19 bikes, right? And you're seeing the two-wheeled scooters.  
20 I was at a session, I think the Chair sent me to one with  
21 China Electric Vehicle. There's over 300 million two-  
22 wheeled electric vehicles in China today. I will say  
23 there's something quite efficient about (indiscernible),  
24 when you just decide to do it, you do it; 85 percent of the  
25 bus sales in China today are battery/electric, right? It's

52

1 happening and at a pace that is extraordinary. And we can  
2 really keep pushing the envelope on that and I think that's  
3 really the challenge that's in front of us.

4 I also just want to say special thanks to  
5 Commissioner Douglas. I think this closed legislative  
6 session and SB 100 especially really validates the seven  
7 years of your life you spent on DRECP and ensuring  
8 appropriate inclusive and careful planning for renewables  
9 on land. And now for the last year you've been engaged  
10 with all these federal agencies on offshore wind. We're  
11 going to need all of that. And your planning expertise and  
12 your patience, which you have in much, much greater supply  
13 than I, are going to be essential. So I want to  
14 acknowledge that.

15 I have a few other things I'd like to say, but I  
16 wanted actually if we could queue up the video? We did, in  
17 advance of the summit, as you recall, Volume I of the IEPR  
18 the printed copies which we got out. But we also did a  
19 video and I wanted to give special thanks and recognition  
20 to Tara, who really quarterbacked this with the media team,  
21 Katy and others and to Chair Weisenmiller's Summer Fellow,  
22 Amulya, who's voice narrates to this two-minute video. So  
23 go ahead.

24 [START OF VIDEO: Music starts then fades to  
25 narration.]

1           "For decades, California has remained at the  
2     forefront of clean energy leadership. This year, the state  
3     became the world's fifth largest economy, while continuing  
4     bold efforts to reduce greenhouse gas emissions.

5           "The state's policies have driven reductions  
6     across sectors and aim to lower emissions by 80 percent  
7     below 1990 levels by 2050. California has installed more  
8     renewable energy than any other state and generates more  
9     than 32 percent of its electricity from renewable sources.  
10    The state plans to reach 60 percent renewable energy by  
11    2030 and 100 percent clean energy by 2045.

12           "A groundbreaking requirement to be approved this  
13    year will also require solar panels on new homes beginning  
14    in 2020. The state's progressive energy efficiency  
15    standards through buildings and appliances are moving the  
16    market toward cleaner, more efficient technologies. These  
17    standards have already saved Californians more than \$100  
18    billion in utility bills. And landmark legislation signed  
19    by Governor Brown will double energy efficiency savings by  
20    2030, further reducing energy demand and saving customers  
21    money.

22           "Transportation pollution is the state's largest  
23    source of greenhouse gases and smog-forming pollutants. In  
24    response, the state is shifting transportation systems to  
25    clean electricity and low-carbon fuels. Today, California

1 is home to half of the zero emission vehicles in the  
2 country and plans to have at least five million by 2030.  
3 Already, the state is home to a dozen companies  
4 manufacturing zero emission cars, buses and motor cycles.

5 "Each year, the state provides \$150 million in  
6 grants to test and demonstrate innovative clean energy  
7 solutions supporting a cleaner, more resilient energy  
8 system. These grants leverage private and federal  
9 investments, contributing to an innovation ecosystem across  
10 California and beyond. As California builds a thriving  
11 green economy, it is working to overcome the areas that  
12 limit access to clean technologies for low-income customers  
13 ensuring that all residents benefit from a clean energy  
14 future.

15 "California is committed to working with cities,  
16 states and nations around the world to face the  
17 unprecedented challenge of climate change and together  
18 support a global clean energy future for everyone."

19 [VIDEO ENDS]

20 (Applause.)

21 COMMISSIONER HOCHSCHILD: Whoever would have  
22 thought we could fit the IEPR in two minutes, right?

23 So just a few more comments, I also just wanted  
24 to personally thank Sylvia Bender who's retiring after  
25 many, many moons here for her long career in public

1 service. And to congratulate her successor, Siva, who I  
2 think is going to bring a lot of new vision, energy and  
3 vigor to that role. So I'm very happy for him and  
4 congratulations to her.

5 A couple of updates I want to share with you  
6 briefly. We're making some moves on the equipment list,  
7 finally. We are going to be moving to delist dumb  
8 inverters that don't possess voltage regulation, telemetry,  
9 etcetera. I think that's the way we need to go. And also  
10 looking to add storage to ensure customers are protected  
11 and we're installing high-quality equipment.

12 The big picture here, we don't want to repeat  
13 what happened with solar thermal in the '80s where a bunch  
14 of fly-by-night companies with fly-by-night technologies  
15 got going and we had a lot of failures. And I think the  
16 equipment lists have been really successful in that. And I  
17 wanted to thank Natalie Lee and her whole team.

18 And the other idea that we've been discussing in  
19 cooperation with Danny Kennedy and others is doing a  
20 workshop this fall on the future potential of lithium  
21 extraction in California. We've looked at the markets for  
22 battery storage for electric vehicles etcetera. I mean,  
23 they're all booming and we're sitting on one of the largest  
24 lithium reserves in the world, but it's in this brine. And  
25 we have a very small program with our Geothermal Resource

1 and Development account. But we wanted to start fostering  
2 the conversation and reach out to Senator Hueso and some of  
3 the innovators.

4 And I gather that Steve Chu, former Secretary Chu  
5 has been digging into this. And just to understand what  
6 are the barriers in front of us and whether California  
7 could become a real lithium producer. And dig into that  
8 and begin that conversation, because I think that's as we  
9 see these EV markets and storage technology that I think we  
10 have a big opportunity there. So I'm hopping to schedule  
11 that in November timeframe.

12 And that's it for me.

13 CHAIRMAN WEISENMILLER: Thanks.

14 Before the summit I went to Germany, a  
15 combination of I was asked to speak there at *Die Zeit*  
16 (phonetic) and interview for their event. And at the same  
17 time the Governor and I had met with the president of  
18 Germany in July and I met with some of the parliamentarians  
19 there and so it was a good chance to follow up with them.

20 And it also led -- it was connected into my focus  
21 at the summit was very much the practitioner's event with  
22 President Picker and Mary Nichols, which I think went very  
23 well; the bilateral event with the Germans, or a second  
24 bilateral.

25 And then finally the Chinese pavilion, (phonetic)

1 which was again very productive. And as everyone said, I  
2 think all of us lost our voices at some point in time, but  
3 fortunately cough drops were invented and we made it  
4 through.

5 And so I would also note on this Saturday the  
6 Governor and I met with the delegation in Baden-  
7 Wuerttemberg. And one of the mayors there is moving  
8 forward on requiring solar on all new construction. So  
9 anyway, it's starting to move worldwide.

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

11 MS. VACCARO: Nothing today.

12 CHAIRMAN WEISENMILLER: The Executive Director's  
13 Report?

14 MR. BOHAN: Briefly, I too was excited to be a  
15 part of history last week and this week that history begins  
16 for us. Part of what Governor Brown did last week was  
17 sign a number of pieces of legislation and several of those  
18 showed the Legislature's and Governor's Office's faith in  
19 the Energy Commission. But they also need a lot more work,  
20 so literally as we speak we are finalizing proposals,  
21 budget change proposal to acquire more staff to perform  
22 some of the activities that are needed. So we're excited  
23 to roll up our sleeves.

24 CHAIRMAN WEISENMILLER: Okay, Public Adviser's?

25 MS. MELGOSA: Hello, Chair and Commissioners,

1 Tyler Melgosa on behalf of the Public Adviser. There's  
2 nothing to report today.

3 CHAIRMAN WEISENMILLER: Thank you.  
4 Public comment?

5 (No audible response.)

6 CHAIRMAN WEISENMILLER: The meeting is adjourned.

7 (Adjourned the Business Meeting at 1:10 p.m.)

8 --oOo--

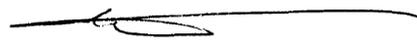
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IN WITNESS WHEREOF, I have hereunto set my hand this 1st day of October, 2018.



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PETER PETTY  
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