

DOCKETED

Docket Number:	19-BUSMTG-01
Project Title:	2019 Business Meeting Transcripts
TN #:	226347
Document Title:	Transcript of 01092019 Business Meeting
Description:	N/A
Filer:	Cody Goldthrite
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	1/22/2019 8:47:01 AM
Docketed Date:	1/22/2019

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Janea Scott
Andrew McAllister
David Hochschild

Staff Present: (* Via WebEx)

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Office
Alana Mathews, Public Adviser

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Others Present (* Via WebEx)

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Scott A. Galati, DayZen LLC representing Vantage Data Centers	2
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Others Present (* Via WebEx)

Interested Parties (Cont.)

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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. *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)*
 - ii. *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)*
 - iii. *State Energy Resources Conservation and Development Commission v. Electricore, Inc. and ZeroTruck (Sacramento County Superior Court #34-2016-00204586)*
 - iv. *Natural Resources Defense Council, Inc., et al. v. United States Department of Energy (Federal District Court, Northern District of California, #17-cv03404).*
 - v. *City of Los Angeles, acting by and through, its Department of Water and Power v. Energy Commission (Los Angeles Superior Court, Case No. BS171477).*
 - vi. *State Energy Resources Conservation and Development Commission v. City of San Jose, JUM Global, L.L.C. (Sacramento Superior Court, Case No. 34-2018-00230652).*

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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

JANUARY 9, 2019 10:03 a.m.

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

(Whereupon the Pledge is recited)

CHAIRMAN WEISENMILLER: I was just going to start with a couple of brief items. I think first, all of us want to welcome the new Governor. It's exciting times. Obviously, Governor Brown will always be in our history, in our hearts, but we wish he and Anne well and Colusa.

I was also going to just announce generally that we haven't finished this IEPR but the next IEPR, Commissioner Scott will be the lead on that. She's working on the scoping of it. It will probably focus primarily on transportation and equity issues. But just so everyone knows that part.

I'm going to make a slight adjustment to the schedule. Looking at sort of the number of attendees and time, I'm going to shift Item 2 to after Item 5. I think we have probably more people here for 4 and 5 than for 2, and 2 will take a fair bit of time given a closed session. So anyway, just giving people a heads up on the timing.

So let's start with the disclosures and then we'll go on to Consent.

COMMISSIONER DOUGLAS: Great. Thank you, Chair

1 Weisenmiller. So I have two disclosures. It is this time
2 of year again and I'm teaching a renewable energy law class
3 at King Hall at UC Davis. So on Item 1b on the agenda UC
4 Davis is a prime contractor. On Item 7d UC Davis is a
5 subcontractor on that item. And neither of those items
6 pertain to the law school or the King Hall, but
7 nevertheless I wanted to make this disclosure. Thank you.

8 COMMISSIONER MCALLISTER: On Item 1a I'm going to
9 recuse myself. I'm on the Board of the Alliance to Save
10 Energy. And that item is directly related to that entity
11 and our membership there.

12 CHAIRMAN WEISENMILLER: Good. So let's take up
13 on the Consent Calendar everything but Item a, everything
14 but a, yeah so.

15 COMMISSIONER DOUGLAS: I move Consent Calendar
16 except for item A.

17 COMMISSIONER SCOTT: Second.

18 COMMISSIONER MCALLISTER: Second.

19 CHAIRMAN WEISENMILLER: All those in favor?

20 (Ayes.)

21 CHAIRMAN WEISENMILLER: So the Consent Calendar,
22 except for Item a is passed 5-0.

23 So Commissioner McAlister is leaving the room.

24 (Commissioner McAllister left the room.)

25 CHAIRMAN WEISENMILLER: So now, let's go to Item

1 a.

2 COMMISSIONER DOUGLAS: Move Consent Calendar Item

3 1a.

4 COMMISSIONER SCOTT: Second.

5 CHAIRMAN WEISENMILLER: All those in favor?

6 (Ayes.)

7 CHAIRMAN WEISENMILLER: This passes 4-0, with one
8 recusal.

9 So now again we're going to skip Item 2 and go
10 directly to Item 3.

11 MS. DYAS: Good morning, Commissioners. My name
12 is Mary Dyas. I'm with the Compliance Office of the
13 Siting, Transmission, and Environmental Protection
14 Division.

15 I'm the Energy Commission Staff Compliance
16 Project Manager for the Sacramento Power Authority's
17 Campbell Cogeneration Project. And with me this morning is
18 Staff Counsel Lisa DeCarlo and staff is also in attendance.

19 Today, staff is requesting approval of a petition
20 to amend the Commission Final Decision for the Campbell
21 Cogeneration Facility to install a wet compression system
22 upgrade to replace and upgrade existing burners and to
23 increase the startup carbon monoxide emission limit to
24 reflect actual startup emissions.

25 The 158-megawatt cogeneration project was

1 certified by the Energy Commission in 1994 and the project
2 began commercial operation in 1997. The facility is
3 located at 3215 47th Avenue in an unincorporated area of
4 Sacramento County. The project is on approximately 5.8
5 acres adjacent to the former Campbell Soup facility, in
6 which cogeneration ceased in 2016.

7 On November 2nd, 2018 the Sacramento Power
8 Authority filed a Petition to Amend with the Energy
9 Commission requesting to modify the Campbell Cogeneration
10 Project to install a Siemens wet compression system upgrade
11 in order to reclaim electrical production typically lost
12 during high ambient temperature conditions, to replace the
13 existing burners with upgraded Siemens HR3 burners, and to
14 increase the startup carbon monoxide emission limit to
15 reflect actual startup emissions. The modifications will
16 not increase either electrical generation or fuel
17 consumption beyond the existing license limits.

18 Staff determined that the technical area of air
19 quality will be affected by the proposed project changes
20 and has proposed Revised Conditions of Certification in
21 order to ensure compliance with laws, ordinances,
22 regulations and standards.

23 Staff recommends that four existing Energy
24 Commission Conditions of Certification be modified to
25 reflect the changes in the carbon monoxide limit. Staff

1 also recommends that 42 other Conditions of Certifications
2 be modified with administrative changes to align them with
3 the current permit with the Sacramento Metropolitan Air
4 Quality Management District.

5 These revisions including the modifications of
6 the carbon monoxide limit would not cause any additional
7 air quality impacts or adversely affect the ability of the
8 project to comply with laws, ordinances, regulations and
9 standards.

10 On January 3rd, 2019 the Sacramento Power
11 Authority submitted comments on staff's analysis and staff
12 is in agreement with the comments.

13 On January 8th, 2019 an information request
14 letter was docketed by the Union Pacific Railroad Real
15 Estate Division. Staff contacted a representative of the
16 Real Estate Division and confirmed that the response to the
17 letter is only required if proposed work affects the rail
18 road. In this particular case, the proposed Petition to
19 Amend does not involve the railroad and therefore no
20 response is needed.

21 Staff has determined that the changes proposed in
22 the Petition to Amend comply with the requirements of Title
23 20 Section 1769(a) of the California Code of Regulations
24 and recommends approval the project modification and
25 associated revisions of the Air Quality Conditions of

1 Certification.

2 CHAIRMAN WEISENMILLER: Thank you.

3 Let's go to Applicant.

4 MR. POFF: Good morning. My name is Eric Poff.

5 I am the Manager for the Thermal Generation Assets for
6 SMUD. Beside me is Joe Schofield, the Deputy General
7 Counsel for SMUD. And on SMUD's behalf, we would just like
8 to thank the Commissioners for hearing the petition this
9 morning. We would also like to thank the CEC staff,
10 California Energy Commission staff for review and approval
11 of the petition. And we also would like thank the
12 Sacramento Metropolitan Air Quality Management District
13 staff for their review and approval of the petition.

14 Finally, I'd like to address the letter that we
15 received late yesterday from Union Pacific. I also reached
16 out to the point of contact with Union Pacific earlier this
17 morning and was informed, as CEC staff was, that the letter
18 is a form letter that is sent out whenever they receive a
19 notification. They receive approximately 5,000
20 notifications a year and this is their standard process.

21 I informed her that our project is specifically
22 related to the combustion turbine building. It would have
23 no impact on the railroad's right-of-way. And she informed
24 me that no further action was needed.

25 We are open for any question that the Commission

1 may have. Thank you.

2 CHAIRMAN WEISENMILLER: Thank you.

3 Let's start with are there any comments from
4 anyone in the room? Any comments from anyone on the line?

5 (No audible response.)

6 CHAIRMAN WEISENMILLER: Then let's transition
7 over to the Commission, to the full Commission.
8 Commissioner Douglas?

9 COMMISSIONER DOUGLAS: Well, just some brief
10 comments. I've reviewed the materials on this proposed
11 amendment and I support it. I think it obviously is
12 important to be able to generate power that's needed during
13 times when air temperatures are hot and the power's really
14 needed. And so I think it's a valuable proposed change. I
15 appreciate staff's rigorous review of the air quality and
16 the update of the conditions to reflect that.

17 So I don't know if there are any other questions.
18 In that case I'll approval of this item.

19 COMMISSIONER SCOTT: Second.

20 CHAIRMAN WEISENMILLER: Okay. All those in
21 favor?

22 (Ayes.)

23 CHAIRMAN WEISENMILLER: This item passes 5-0.
24 Thank you.

25 MR. POFF: Thank you.

1 CHAIRMAN WEISENMILLER: Let's go on to Item 4.

2 MR. GALDAMEZ: Okay. Good morning,
3 Commissioners. My name I'm Alejandro Galdamez. I work for
4 the Efficiency Division under the Appliances Office. I'm
5 here seeking adoption of the regulation for air compressors
6 and the negative declaration under CEQA.

7 I'm going to talk about what we concluded in
8 regards to the requirements of the California Environmental
9 Quality Act, CEQA.

10 The proposed standard will reduce electricity
11 consumption, criteria pollutants and other particulates.
12 The materials used for the manufacturer as well as the
13 lifetime of the covered appliances will not change due to
14 the proposed regulation.

15 We also did not receive any comments challenging
16 our determination under CEQA where we determined that the
17 proposed regulation has no significant adverse effect to
18 the environment.

19 We therefore recommend for the Commission to
20 adopt the proposed negative declaration under CEQA.

21 Going back to the proposed standard let me first
22 give you some background for the regulation. The US
23 Department of Energy published a final rule notice on
24 December 5th, 2016. Unfortunately, DOE did not finalize
25 the process and published the proposed regulation into the

15

1 Code of Federal Regulations Title 10. And since the rule
2 was not published and therefore not finalized, California
3 was not and is not preempted for setting the standard as a
4 state efficiency standard.

5 The scope of the proposed regulation is
6 compressors, air compressors that will -- for commercial
7 and industrial air compressors that are rotary, lubricated,
8 liquid or air cooled and have a fixed variable speed
9 brushless electric motor, with nominal horsepower between
10 10 and 200 horsepower. In addition, the air compressor is
11 only for those that operate under gauge pressure of 75 and
12 200 pounds per square inch.

13 The test procedure under the proposed regulation
14 was finalized by the Department of Energy and therefore is
15 incorporated by reference. It's located in the Code of
16 Federal Regulations Title 10, subpart T, of Appendix A.

17 In addition, and in order to reduce test burden
18 to manufacturers, we are proposing to allow for the use of
19 alternative efficiency determination methods, or better
20 known as AEDMs for compressors. This method is also
21 incorporated by reference and is in the Code of Federal
22 Regulations, Title 10, sections 429.63 and 429.470 to be
23 exact.

24 The Energy Commission staff is proposing the same
25 efficiency level as the one proposed under DOE. This graph

1 depicts that. It's the green line right here. Any
2 compressor that performs on or above this green line is
3 basically compliant. Any compressor under the line will
4 have to be reengineered and cannot be offered or sold in
5 California.

6 We determined or concluded that the proposed
7 regulation is technically feasible since there are
8 compressors that currently operate above or at the
9 efficiency level of the previous slide.

10 In addition, there are technologies available for
11 redesign. Some of examples of this are multi-staging, air-
12 end improvements and auxiliary components improvement.

13 The Energy Commission agrees with DOE's
14 determination that this and other technologies are
15 currently available to achieve compliance to the proposed
16 regulation.

17 To better illustrate the technical feasibility I
18 am including this slide for one of the four different types
19 of compressors that DOE studied. The graph is for a rotary
20 fixed-speed lubricated air cooled air compressor.

21 As it can be seen here, the majority of available
22 compressors under the scope are above the Efficiency Level
23 2, the blue line on the graph. I only included one graph
24 since all the other three compressors are similar on the
25 number of compressors that are already compliant to the

1 proposed regulation.

2 Energy Commission staff concluded, after
3 receiving some comments, that the first year electricity
4 savings calculated are for about 17 gigawatt hours, which
5 equates to \$2.4 million in savings for California.

6 The lifecycle annual electricity savings for
7 California were concluded to be around 217 gigawatt hours
8 per year. The annual net benefit was calculated to be
9 approximately 22 million with a 3 percent discount rate.

10 This is a net benefit to cost ratio that varies
11 from 2:1 to 6:1 depending on the type of compressor.

12 We received in total 11 comments. Three of them
13 were in total support. Six of the comments supported the
14 regulation, but wanted some changes. We also received two
15 comments in opposition for the proposed regulation.

16 Energy Commission staff has concluded, after
17 considering all the comments, that the proposed standard is
18 technically feasible and cost effective. And recommends
19 the adoption of the proposed regulation by the California
20 Energy Commission, with a compliance date of January 1st,
21 2022.

22 With that, I have finished my presentation and
23 I'm here to answer any questions.

24 CHAIRMAN WEISENMILLER: Thank you.

25 Let's start with public comments. Michelle

1 Chester.

2 MS. CHESTER: Good morning, Commissioners. My
3 name is Michelle Chester. I am with firm of Somach Simmons
4 & Dunn. And I'm here today on behalf of Atlas Copco North
5 America.

6 We have been an active participant in the ongoing
7 appliance energy rulemaking for the air compressors and
8 appreciate the opportunity to comment on and discuss with
9 staff the proposed rulemaking.

10 We are asking today that you postpone the vote on
11 this item or deny moving forward with this rulemaking as
12 written. We do support proposed requirements for air
13 compressors, but as we've commented this support is
14 contingent on revisions to the proposed regulatory language
15 to allow for the use of historical ISO 1217 test data to
16 certify compliance with the Energy Efficiency Standards.

17 The Commission's proposed rule intends to follow
18 federal efficiency and testing procedures, but
19 implementation of DOE's testing standard was suspended
20 before manufacturers received the clarity they needed
21 regarding procedures for compliance certification.

22 In order to provide manufacturers that certainty
23 to certify compliance of their products for sale in the
24 California market, and to provide certainty for consumers
25 in the California market, we are asking that you explicitly

1 allow for use of historical ISO 1217 test data for
2 compliance certification. We do not believe this approach
3 would result in the sacrifice to the Commission's desire to
4 energy efficiency goals.

5 The ISO 1217 test method is widely used by
6 manufacturers and is proven to provide accurate readings of
7 a unit's energy efficiency. While the DOE test method is
8 based on the ISO 1217 test method, DOE test procedures
9 differ most significantly in that it requires testing of
10 two units of the same model, while the ISO 1217 test method
11 requires testing of just one unit.

12 There are differences between the two test
13 methods. But the differences do not result in significant
14 differences between the data. Requiring use of DOE's test
15 procedures would invalidate almost all historical ISO 1217
16 data since older tests were run on one machine, not two of
17 the same model.

18 Additionally, the delayed operative date of
19 January 1st, 2022 does not provide relief to manufacturers.
20 Atlas Copco units manufactured before 2022 have already
21 achieved the desired energy efficiency levels, as shown by
22 prior ISO 1217 test data and methods.

23 Those same models with the same level of energy
24 efficiency supported by ISO 1217 test methods and data
25 cannot be certified for sale on the California market

1 without the expensive and time-consuming task of retesting
2 those models to the federal standard without any additional
3 improvements in energy efficiency.

4 Additionally, we are concerned that staff had not
5 responded to Atlas Copco's comments that an important
6 reference to the Code of Federal Regulations has been
7 omitted from the proposed regulatory language. This is
8 specifically Section 431.343 under Title 10, concerning the
9 federal test methods upon which the Commission's rules
10 rely. Additionally, because today's vote on this item was
11 noticed before the close of the 45-day comment period and
12 before the January 3rd hearing on this matter, we're asking
13 that you take the time to consider any comments. And we
14 believe that it prematurely foreclosed any possibility of
15 providing 15-day language responding to these comments and
16 revising the language.

17 CHAIRMAN WEISENMILLER: Okay. Thank you.

18 MS. CHESTER: Thank you.

19 CHAIRMAN WEISENMILLER: Charles Kim?

20 MR. KIM: Thank you, Chair. Thank you,
21 Commissioners. I'm Charles Kim of the Southern California
22 Edison company.

23 The proposed adoption is another example of the
24 CEC's leadership on energy efficiency. CEC's leadership,
25 therefore California's leadership on energy efficiency does

1 not just put regulation on a book. But it acts like a
2 force for market transformation.

3 Southern California Edison, like many other
4 utilities, has been incentivized in technologies including
5 air compressors, so that our customer has a choice of
6 purchasing more energy efficiency that brings savings and
7 that uses the energy wisely. And the proposed regulation
8 is going to bring more clarity to the baseline of our
9 incentive programs that we don't have right now. And then
10 it will continue act like a force for the market
11 transformation. The market transformation, working with
12 the regulatory folks with the incentive program, can
13 clearly bring benefits to Californians.

14 And the second thing that I want to mention is
15 that the proposed regulation is very, very cost effective.
16 The cost/benefit ratio is ranging from 2:1 to 6:1. That
17 gives an assurance that the proposed regulation will bring
18 benefits to our customers, therefore Californians, greatly.
19 That gives us assurance.

20 The other thing is that the proposed language is
21 technically feasible. If you look at the existing
22 compressors on the chart that your staff analyzed very
23 diligently, not just one or two products meet those
24 standards, existing products that I'm talking about, a
25 majority. Some of them is like 5 percent of the market,

1 existing data, existing products already meet those
2 proposed regulations.

3 California's (indiscernible) used proposal, which
4 proposed a high level efficiency. That is also cost
5 effective. But knowing the sensible approach the CEC is
6 taking, and then knowing that there's an effort that has
7 been taken at the DOE, and then (indiscernible) therefore
8 in California to bring and save the opportunities to
9 California that shows our leadership once again and we care
10 about those opportunities. And I'm very, very appreciative
11 for the CEC taking those leads to make this one happen.

12 So my commend goes to all the staff: Alex, Leah,
13 Chris, Kristen, and Pat Saxton to make this proposal
14 possible. So once again, I'm very thankful for this
15 opportunity. Thank you.

16 CHAIRMAN WEISENMILLER: Thank you.

17 Is there anyone else in the room with comments?
18 Then let's go on the line. Please, Mr. Kuffman, (phonetic)
19 go forward.

20 MR. KNUFFMAN: Knuffman. Good morning,
21 Commissioners. Chris Knuffman, Quincy Compressor. We
22 appreciate the opportunity to comment. Quincy Compressor
23 makes rotary screw air compressors at our factory in Bay
24 Minette, Alabama. These machines are subject to the
25 Commission's proposed efficiency rule.

1 Quincy supports the adoption of the rule,
2 provided it is amended to allow the use of accurate data
3 from prior testing, in order to certify compliance with the
4 efficiency rule. Right now, such data cannot be used.

5 Quincy has conducted costly tests of its rotary
6 screw air compressors using the federal DOE method this
7 proposal would use to certify the compliance with the
8 California standard.

9 Since the January 4th, 2017 DOE test method was
10 published in the *Federal Register*, but primarily in the
11 past 12 months with a very high priority in our R&D lab,
12 Quincy has tested in excess of 60 different basic models
13 and has published DOE data on Quincy Compressor's website.
14 As many as 220 models must be shown to comply either with
15 testing or mathematical methods validated with test data.

16 Testing work to date would cost around \$240,000
17 at third-party lab rates. Even though Quincy has used the
18 correct tests and procedures, adoption of the proposed rule
19 as written would preclude the use of these tests results to
20 certify compliance. This is because no laboratory anywhere
21 has been certified by California to conduct this federal
22 test. Under current rules, it appears that no laboratory
23 can be certified until early 2020. Nor does it appear that
24 certification retroactively validates earlier test results,
25 even though there is no question about the accuracy of the

1 results.

2 Quincy Compressor asks that the Commission direct
3 the issuance of a proposed amendment to fix this problem.
4 Quincy asks that the Commission seek comment on the
5 proposed revised language presented with Atlas Copco's
6 December 21st, 2018 comments. Language which would
7 include, and allow the use of prior DOE tests or prior
8 industry test data from ISO 1217, on which DOE's methods
9 are based. That revision would add language to Section
10 1606 of the rule to authorize such use as accurate prior
11 test data for certification and validation.

12 Quincy understands that the adoption of such
13 requested language would be subject to a 15-day notice and
14 comment procedural requirement before the Commission can
15 act and make the final action on such relief.

16 Thank you for your time.

17 CHAIRMAN WEISENMILLER: Thank you.

18 Is there anyone else?

19 MR. BOYCE: Good morning. My name is Brian
20 Boyce. I'm with Energy Solutions on behalf of the
21 California Investor Owned Utilities. Thank you very much
22 for the opportunity to speak.

23 The IOUs strongly support the proposed commercial
24 and industrial rotary air compressor standard before the
25 Commissioners. The compressor standard will be a

1 significant achievement as it will be one of the first
2 standards in the world for this equipment. The standard is
3 technical feasible and cost effective. The Energy
4 Commission estimates that the standard will save 217
5 gigawatt hours of energy annually by 2035, the year of
6 stock turnover.

7 The Energy Commission should require the DOE test
8 procedure for compressors. The test procedure was approved
9 through a notice and comment (phonetic) rulemaking at DOE.
10 DOE made significant concessions to manufacturers between
11 the notice and proposed rule and final rule stages. The
12 changes brought the test procedure in closer alignment with
13 the industry standard test procedure, ISO 1217. Areas
14 where DOE continued to deviate from ISO 1217 included more
15 stringent sampling requirements and tighter tolerances.
16 This ensures accurate ratings.

17 The Energy Commission also made several
18 significant accommodations to manufacturers during this
19 rulemaking process. First, the effective date was extended
20 from one year after adoption to nearly three years, which
21 is much longer than the statutory requirements of the
22 Warren-Alquist Act.

23 Second, the Energy Commission is allowing AEDMs,
24 which reduces the physical lab test burden for
25 manufacturers, a practice typically employed at the federal

1 level, but unusual for California.

2 Third, manufacturers can use old test data if
3 they can prove that the tests were conducted in accordance
4 with the newer DOE requirements. Allowing older test data
5 that is not DOE compliant is a risky move that could run
6 afoul of preemption laws at the federal level.

7 Regarding the efficiency standard itself, the
8 Energy Commission has elected to require a scope of
9 products and efficiency levels equivalent to what DOE
10 chose, known as Efficiency Level 2.

11 While the IOUs recommended EL3 due to its saving
12 more energy, while still being cost effective, we
13 understand that as this is the first energy standard for
14 rotary compressors there is wisdom in choosing the lower
15 efficiency level to allow the marketplace to transition to
16 this new paradigm.

17 In summary, the Energy Commission has proposed a
18 technically feasible energy standard for compressors based
19 on the consensus-based DOE test procedure. California's
20 standard is based on DOE's pre-published standard, which
21 itself was mere days away from finalization in early 2017.
22 The standard will be cost effective and would result
23 insignificant benefits for Californians. Thank you.

24 CHAIRMAN WEISENMILLER: Okay. Anyone else?

25 Okay. So staff, do you have any comments or any

1 responses to any of the comments?

2 MR. GALDAMEZ: Just that DOE test, oh sorry, I'm
3 Alejandro again. The DOE test data that is currently
4 happening right now under the DOE test procedure will be
5 accepted for certification of the appliance. Just to
6 clarify, because I think there's a little confusion if DOE
7 test data that is -- I mean, DOE test procedure data that
8 is currently being analyzed, because if they're following
9 the DOE test procedure if that will be accepted by us. And
10 the answer is basically yes.

11 COMMISSIONER MCALLISTER: Can I ask for sort of a
12 deeper explanation of why Quincy's concerns that will allay
13 concerns that were expressed by Quincy. Because I think
14 there's some misunderstanding about what a certified lab
15 actually is, so it would be good to have some deeper
16 clarity on that.

17 MR. GALDAMEZ: You mean the process of how we go
18 by certifying the lab?

19 COMMISSIONER MCALLISTER: Yeah. I mean, in the
20 common -- I mean, maybe Kristen can explain, but in the
21 common understanding of what a certified test lab is it's
22 more like a nationally certified test laboratory, which is
23 a much more complicated thing than what we're talking about
24 here. So can one of you kind of dig into that a little
25 bit?

1 MS. DRISKELL: Sure. This is Kristen Driskell.
2 I'm the Deputy Director of the Efficiency Division.

3 We require test labs to come into our database as
4 approved test labs. That is a different process from
5 industry certification as Commission McAllister noted.
6 What we require, among other things, is that the test labs
7 have conducted the applicable test procedure within the 12
8 months before they come in for approval. So that's the 12-
9 month window that Quincy is talking about if they can't use
10 the test results 12 months before that, what do they do?

11 That just says that they've run the test
12 procedures sometime in the last year. We're trying to
13 emphasize that they know how to run the test, they've done
14 it before. Any test results that are done according to the
15 test procedure, whether they occur before the test lab is
16 approved or after the test lab is approved, is fine for
17 certification to our database. And our regulations are
18 pretty clear on this and this is across all appliances, not
19 specific to compressors.

20 Does that answer, help elaborate on that issue?

21 COMMISSIONER MCALLISTER: Yeah. And I guess the
22 -- what does certification mean from our perspective in
23 terms of it allows them to do what?

24 MS. DRISKELL: To be clear we don't certify test
25 labs. We simply approve test labs. The requirements for

1 approval, I think there's five or six requirements. I
2 mentioned the one about having conducted the tests in the
3 last 12 months. They also have to certify that their test
4 labs are calibrated according to the appropriate test
5 methods and I forget all of the other requirements. I
6 apologize, but it's a pretty simple process. It's a simple
7 application to the Commission. You submit it through our
8 database. And then within easily one to two business days
9 we approve the application, unless we we're aware of an
10 issue with that test lab.

11 COMMISSIONER MCALLISTER: So I guess what I'm
12 trying to get at is that an industry -- an in-house testing
13 lab is perfectly fine, right?

14 MS. DRISKELL: Yes. It's pretty common,
15 actually.

16 COMMISSIONER MCALLISTER: Yeah. So I think
17 hopefully you can get on same page with Quincy and allay
18 those fears, because it sounds like they're doing the right
19 thing and testing to the right procedure and will have the
20 right data for us.

21 MS. DRISKELL: Yes. If I can briefly follow up
22 on a couple of other comments that were made and make sure
23 we respond to them here. So thank you for bringing up
24 Quincy. That was a good response.

25 Atlas Copco also raised a few issues that I think

1 we should just touch on. They mentioned historical test
2 data under ISO 1217. And I just want to be clear that
3 manufacturers are required to submit data under penalty of
4 perjury to our database. And that the data that they're
5 submitting is based on testing that has been done in
6 accordance with the test procedures in Section 1604, which
7 is in this case the federal test procedure which we are
8 preempted from having a different test procedure, so that's
9 why we have that one in there.

10 If they are willing to certify that their test
11 data is in accordance with that test procedure in Section
12 1604 then we have no objection. If on the other hand, they
13 feel they need to retest in order to make that
14 certification, then that's what they will have to do. But
15 the burden is really on the manufacturer to make sure that
16 the test data they submit is in accordance with the DOE
17 test procedure.

18 They mentioned needing to test two units of the
19 same model. That may be true if they use an alternative
20 efficiency determination method. Sometimes that requires
21 sampling and using multiple tests of the same model or even
22 two different models tested. However, for our regulations
23 we only require testing of a single unit in order to
24 certify that test data to the database, for that model.

25 They mentioned incorporation by reference of 10

1 CFR Section 431.343. We don't feel it's necessary to
2 incorporate that specific section. That section says DOE
3 incorporates by reference ISO 1217. However, we
4 incorporated the actual test procedure in Section 431.344,
5 which in turn incorporates ISO 1217. So to incorporate 343
6 would be duplicative, so we didn't do it here. And we
7 haven't done it traditionally in our regulations.

8 And last, Ms. Chester just touched on this at the
9 end about having noticed this business meeting before the
10 end of the comment period. This is not unusual and it's
11 not a violation of either the APA or any due process
12 requirements, unless Jackie Moore tells me otherwise, but I
13 don't think she will.

14 And it's really something that we do as a matter
15 of course. Had we decided as staff to propose 15-day
16 language we could have either recommended to our Executive
17 Director to pull the item before the business meeting, or
18 come to you today and recommend that you send us back to
19 the 15-day language, neither of which is our
20 recommendation. We recommend moving forward with this
21 proceeding.

22 CHAIRMAN WEISENMILLER: Okay. So let's
23 transition to the discussion by the Commissioners.
24 Commissioner McAllister?

25 COMMISSIONER MCALLISTER: So thanks for that last

1 point. I was going to make it as well, and we'll just I
2 think reiterate for emphasis that if we don't make any
3 changes to what's already out there for 45-day then we
4 don't need that extra time. It doesn't mean we haven't
5 listened, right? We have listened and we've considered and
6 that will be reflected in all the forthcoming
7 documentation.

8 But if we're going to make changes then we have
9 to extend. And so I guess really the question is whether
10 these two test procedures are or are not equivalent. And
11 it sounds like we, even Atlas doesn't think they are, and
12 so it's pretty clear we have to use a new one. So I don't
13 really see what if anything would change with more time.
14 Industry has not put that sort of information in the
15 record. And it seems that based on the statement they
16 would not. So given that I think we should move forward,
17 because this is the way it will end up. Any comments on
18 this?

19 COMMISSIONER DOUGLAS: No. I found the
20 discussion helpful though and appreciated staff's responses
21 to the issues raised.

22 COMMISSIONER MCALLISTER: Yeah. And I want to
23 just emphasize before the vote, the process is the
24 lifeblood of this. And so I want to emphasize again that
25 all the information that industry has at its disposal ought

1 to be put into the record if industry thinks that it's
2 going to affect -- or anybody, any stakeholder -- that it's
3 going to affect the outcome.

4 So I just seem to do this every time we vote on
5 an appliance standard, but it all gets listened to and it
6 all gets read and it all gets treated. So whether
7 everybody doesn't have to agree and sing Kumbaya at the
8 end, but that is the process. And so if folks want a
9 different outcome they'd argue persuasively for it.

10 So with that, I'll move Item 4.

11 COMMISSIONER HOCHSCHILD: Second.

12 CHAIRMAN WEISENMILLER: All those in favor?

13 (Ayes.)

14 CHAIRMAN WEISENMILLER: Item 4 passes 5-0. Thank you.
15 Let's go on to Item 5.

16 MR. FUGATE: I believe I have a presentation. So
17 good morning, Commissioners. My name is Nick Fugate. I'm
18 with the Energy Assessments Division and I'm here today to
19 propose adoption of an update to the California Energy
20 Demand Forecast for 2018 to 2030. The forecast was
21 originally adopted in February of 2018, and the update I'm
22 presenting here reflects changes we have observed in the
23 past year. Because our forecast is a biennial process, and
24 because it is used by many agencies in annual planning, we
25 provide these updates to ensure that planners are working

1 with current projections.

2 At the very highest level the demand forecast,
3 which answers questions about how much electricity we need,
4 when and where we need it, lays the foundation for a whole
5 host of state-sponsored planning activities aimed at
6 keeping California's electricity reliable, affordable, and
7 environmentally responsible. And more specifically, it
8 feeds into resource planning at the CPUC to ensure that
9 ratepayer dollars are invested where, and only where, they
10 are needed; and also into transmission studies at the ISO
11 to identify necessary or economic infrastructure
12 investments. And lastly, the forecast provides important
13 information for setting and tracking progress toward the
14 state's energy and climate goals.

15 For past updates we refreshed only the economic
16 and demographic projections that drive our forecast leaving
17 most everything else unchanged. But electric vehicles and
18 behind-the-meter PV are expected to have an increasingly
19 significant impact not just on total energy demand, but on
20 the shape of that load and how it rises and falls in a
21 given day, month, or year. And so for this update not only
22 have we refreshed our projections of these load modifiers,
23 but we have improved our hourly model in order to better
24 assess their impacts.

25 And now that we have this hourly model, and

1 because monthly peak loads are an important consideration
2 for resource adequacy, we are proposing now to adopt for
3 the first time a monthly peak forecast for the California
4 ISO and individual IOU planning areas.

5 And we first introduced the hourly forecast last
6 year as a tool for assessing the impact that a shifting
7 peak hour, caused by significant penetration of EVs, PV,
8 efficiency, and time-of-use rates might have on peak
9 demand. It's an important tool, but our initial attempt
10 had a couple issues.

11 First, we patterned the hourly forecast after a
12 specific but relatively average year, an average weather
13 year. But even an average year has unusual highs and lows,
14 and those peculiarities carried through the forecast
15 period.

16 Second, we used different years for different IOU
17 planning areas, so that when you added them up to analyze
18 the ISO as a whole the loads didn't behave as you'd expect,
19 so there was a coincidence issue.

20 So for this update, staff developed a new method
21 for assigning loads to particular hours. Rather than using
22 a specific year we used average historical loads by day
23 type like the first Tuesday in April or the third Saturday
24 in October, for example. And then we made adjustments, so
25 that when you take a step back and look at a particular

1 month or year you see the kind of variance you'd expect to
2 see. We tested this new method against historical loads
3 and found that it produces reasonable peaks. And because
4 we're no longer using distinct years the coincidence issue
5 is resolved.

6 Now say for example, peak load on a system
7 happens at 5:00 o'clock. That peak is going to be whatever
8 customers are using minus whatever load is still being
9 served by behind-the-meter PV at 5:00 p.m. In the summer
10 months that's a fair amount. If we forecast out ten years
11 just assuming that that peak will continue to happen at
12 5:00 p.m. then we'll still be assuming that PV is
13 significantly reducing peak load.

14 But as you go further out, load modifiers, they
15 start to change the shape of the load and they push the
16 peak hour further into the evening. So say by the end of
17 the forecast the peak is happening at 7:00 p.m. and PV
18 output is little to none at that time. And if we include
19 those original peak reductions from behind-the-meter PV,
20 the ones we determined based on a assumed 5:00 p.m. peak
21 hour, then we would be under-forecasting peak.

22 Our hourly model lets us forecast a more
23 reasonable long-term peak. And as you can see here the
24 peak shift impact on the ISO system that I'm talking about
25 is over 5,000 megawatts by 2030.

1 Establishing reasonable projections for monthly
2 peaks is an important step in ensuring that we have
3 adequate resources available to meet demand throughout the
4 year. Each line here represents a select year, so you can
5 see how peaks grow differently across different months. PV
6 production varies by season driving down peak load in the
7 summer, but allowing it to grow in the spring. This is
8 another example of how we're using the hourly model and why
9 it's important.

10 I'm going to transition now to more general
11 forecast results, but a little context. As part of every
12 forecast we produce a set of high, mid and low-demand
13 scenarios that capture assumptions, particularly around
14 energy efficiency policies and programs that are concrete,
15 so we know when and how they're going to implemented.
16 These are our baseline scenarios. Of course California has
17 some ambitious energy efficiency goals and there is a level
18 of savings beyond what we include in the baseline scenarios
19 that is still likely to occur, but there's less certainty
20 about what new or expanded programs might contribute to
21 those savings.

22 So we have what we call additional achievable
23 efficiency scenarios, which are load reductions consistent
24 with our baseline, but developed separately.

25 I said earlier that one of the reasons we do

1 these updates is to refresh our economic projections, which
2 really drive our forecast. If there are significant
3 changes, if the economy takes a turn, we want to reflect
4 that. For this update however we're in the less exciting
5 situation where those economic projections have held
6 steady, particularly in the mid case.

7 So at the state level we don't see much change in
8 the updated forecast. More EVs drive residential growth up
9 a bit and there is some increased growth in the industrial
10 sector, but that's offset by decreases in commercial and
11 agriculture.

12 So our updated baseline sales forecast reaches
13 287,000 gigawatt hours by 2030, in the mid case, which is a
14 little more than half a percent lower than what we've
15 previously forecasted.

16 Our baseline peak forecast in the mid case also
17 shows little change in growth relative to the last time.
18 If we'd grown these peaks out from the same starting point
19 in 2018 then the difference would be difficult to see. But
20 for the previous forecast 2018 was a projected value and
21 here we're using a lower value for 2018 that reflects
22 information we now have about what actual peak loads that
23 occurred last year. By 2030, our updated peak forecast is
24 nearly 2 percent lower, in the mid case.

25 For planning it's unusual to use our baseline

1 scenarios alone. Instead, what California's energy
2 agencies do is agree to a set of managed forecasts, a
3 particular baseline forecast paired with a particular
4 additional achievable scenario and it is the managed
5 forecast that agencies plan to. So for most use cases,
6 this includes the mid baseline scenario and a mid-
7 additional achievable scenario.

8 When the planning is local however that tends to
9 add another level of uncertainty, not just how much, but
10 where demand reductions will occur. And so a lower
11 additional achievable scenario is typically used.

12 So here you can see the impact that these
13 additional achievable scenarios have on reducing demand in
14 the baseline forecast. What amounts to a little under 1
15 percent annual growth in the baseline for the ISO,
16 translates to a relatively flat or even a declining managed
17 forecast.

18 The delta between the baseline and mid-mid
19 managed scenarios includes roughly 28,000 gigawatt hours of
20 additional achievable efficiency and over 2600 gigawatt of
21 additional achievable PV, which is PV that is expected in
22 new construction as a direct result of the Energy
23 Commission's most recent building standards update.

24 Additional achievable scenarios have a similar
25 impact on peak, though even in the managed cases peak load

1 continues to grow. This is due in part to the peak shift
2 impact I discussed earlier.

3 So one of the strengths of our forecast is that
4 it's grounded in a public stakeholder process. This year
5 we held two IEPR workshops, and a number of DAWG meetings
6 review inputs, assumptions, methods, and results. We
7 received guidance from JASC on an ongoing basis and
8 participated in a number of staff-to-staff conversations,
9 both with other agencies and with utility staff. At times
10 the participation was vigorous and we appreciate all the
11 time that stakeholders took to review our work and provide
12 feedback.

13 Many of the formal comments we received were
14 forward looking, suggesting for example, a review of PV
15 profiles of long-term CCA growth, of time-of-use rate
16 impact assumptions, and of data sharing procedures. These
17 are all things that we will have an opportunity to take up
18 this year in the 2019 forecast.

19 We did make one adjustment to our forecast for
20 NCNC and that's Northern California Non-California ISO,
21 based on formal comments and then also based on additional
22 weather and load information that SMUD provided for us.
23 The change lowered our consumption and peak forecasts for
24 that planning area by several percent.

25 Typically our forecast is accompanied by a

1 narrative description, what we call our forecast report. I
2 want to note that we still intend to publish that report
3 and expect it to be available in February.

4 Also, we are not presenting for adoption today
5 our usual set of LSE and balancing authority forms. We
6 hope to have some additional discussions with stakeholders
7 before finalizing those. And we'll make them available as
8 soon as possible.

9 We plan to kick off the 2019 forecasting process
10 with a workshop on January 17. This is our economic
11 outlook workshop.

12 Next year's process will have a preliminary
13 revised framework, which should allow plenty of opportunity
14 to review inputs, assumptions, and methods with
15 stakeholders. Also to engage on several of the issues that
16 I just described.

17 Lastly, I'd like to thank all of the staff who
18 supported this forecast update. There were many, and
19 recognize specifically the efforts of Cary Garcia, Sudhakar
20 Konala, and Chris Kavalec who worked quite a few long hours
21 on this forecast update and also prioritized stakeholder
22 communication.

23 And so I will conclude my presentation by
24 recommending that the Commission adopt this update to the
25 California Energy Demand 2018 to 2030 Forecast.

1 CHAIRMAN WEISENMILLER: Thank you.

2 Let's go to public comment. Let's start
3 obviously with comments from those in the room. CAISO?

4 MS. HOU: Good morning, Chair. Good morning,
5 Commissioners. My name is Delphine Hou from the California
6 ISO. And I'm here to absolutely support adoption of this
7 item and also to convey our sincere appreciation to the
8 Commission and the incredible staff for developing,
9 especially the hourly forecast for use in our transmission
10 planning processes, but also ultimately for generation
11 procurement.

12 So the hourly granularity for us is absolutely
13 critical in the ability to understand how we can manage the
14 grid reliably, so that we can meet the state's energy
15 policies. We really think that the forecast is incredibly
16 important as a core foundation for process alignment
17 between the Commission, the CAISO and ultimately the
18 California Public Utilities Commission.

19 So we want to actually extend our sincere thank
20 you to Chris Kavalec who spent many, many hours working
21 very closely with us, we hope that he can go on Christmas
22 break right after this, and also to Nick Fugate, Cary
23 Garcia and also Siva Gunda for his incredible leadership.
24 So again, thank you, and we highly support this item.

25 CHAIRMAN WEISENMILLER: Thank you.

1 Any other comments from anyone in the room? Then
2 let's go to the telephone line. We have Simon?

3 MR. BAKER: Yes, do you hear me now?

4 CHAIRMAN WEISENMILLER: Yes, we can.

5 MR. BAKER: Thank you. Good morning, Chair.

6 Good morning, Commissioners. My name is Simon Baker, I'm
7 the Deputy Director of the Energy Division at the
8 California Utilities Commission. I too want to express our
9 support for adoption of the forecast.

10 As was noted in the staff presentation, this
11 forecast is very important for the CPUC in a number of
12 different resource planning processes: integrated resource
13 planning, distributed resource planning -- that's a new
14 function for the IEPR forecast in distributed resource
15 planning, so we're looking forward to the application of
16 that -- and then also in resource adequacy.

17 I want to recognize the good collaboration that
18 we've had between the agencies. This dates back more than
19 a decade of really intensified collaborations. That's been
20 very good. And this IEPR update cycle has been no
21 exception. CEC staff really worked extremely hard on this
22 work product. It was an unusually big scope for an update
23 cycle. Things that are not typically done during an IEPR
24 update cycle, like updating the PV and EV adoption
25 projections, were done.

1 In particular, we at PUC, we appreciate the work
2 that was done to update the time-of-use assumptions. And
3 most importantly, the work done to produce monthly peak
4 forecasts, which are now based on a refined hourly model.
5 We appreciate that this has been brought into the IEPR
6 process and we anticipate using the results in our resource
7 adequacy proceeding.

8 We're aware the staff worked nights and weekends.
9 I want to recognize the diligent efforts of Siva Gunda,
10 Nick Fugate, Chris Kavalec, Cary Garcia and others.

11 And also just note that we really appreciate the
12 adherence to the schedule. As another regulatory agency
13 subject to the pressures of getting deliverables, complex
14 deliverables out on time and also taking stakeholder
15 comment, we know how it can be a challenge sometimes to do
16 that and want to appreciate the work that was done to
17 adhere to the schedule. So on behalf of the CPUC, I just
18 want to thank all of you at the Energy Commission for this
19 good work and we support adoption.

20 CHAIRMAN WEISENMILLER: Great. Thank you.

21 Anyone else either in the room or on the phone?

22 (No audible response.)

23 CHAIRMAN WEISENMILLER: Okay. Then let's
24 transition to the Commissioners. I'll say a few words and
25 I think Commissioner McAllister will probably have some

1 comments too.

2 Obviously, this is one of the key Energy
3 Commission tasks is the Demand Forecast, which is then used
4 by the other agencies in the state for planning. So it's
5 really important we do this well. We've done it for
6 decades, but we're really facing more complexity at this
7 point. As you heard, there's a lot of focus on
8 disaggregating the forecast, both spatially to get more
9 disaggregated even down to the distribution level, and
10 temporally to get more to hourly.

11 And at the same time, there's a lot of technology
12 changes that are quite significant with behind-the-meter
13 photovoltaics and electric vehicles. And also climate
14 change.

15 So again it's something which is certainly
16 challenging to deal with. As people indicated that this
17 was an unusual cycle in that I think for the next, I'm
18 going to say few years, for both photovoltaics and electric
19 vehicles and ultimately CCAs, we're looking more at an
20 annual update as opposed to trying to forecast what's going
21 on for the next whatever, five years on that?

22 But again, it's really a time for a lot of
23 challenges in terms of just dealing with the opportunity.
24 A lot of opportunities for our staff to really rethink some
25 of the pieces and to really bring into play some new tools.

1 So again, we really want to thank people for that activity
2 and at the same time trying to deal with the realities of
3 scheduling in terms of the other agencies. That's why we
4 have a slightly different approach this year of getting out
5 the basic numbers with reports to come, so that the PUC can
6 start building the numbers in.

7 So again, thanks everyone for the activities on
8 this. Commissioner McAllister?

9 COMMISSIONER MCALLISTER: Yeah, I think with
10 challenge comes opportunity. So I'm incredibly optimistic
11 actually, because I think we have a great team in place.
12 And I think you heard that in the comments. You know,
13 Siva, Nick, Cary, Chris, Sudhakar and just the whole group,
14 I think are rising to the challenge, and it is a challenge.

15 But a lot more data, we're in 2019 now. We're --
16 more data is both an opportunity and requires a big effort.
17 I think there're going to be all sort of corollary benefits
18 of putting place the analytical tools that we need for the
19 forecast. I think we're going to be able to ask all sorts
20 of other questions that are related and dig into the
21 details of locales and load shapes, demand shapes. I think
22 there's just a lot of upside to this, a big lift that we're
23 all doing. So, you know, it's going to really be worth it.
24 It already is worth it, but I think it's going to emerge as
25 being incredibly valuable increasingly over time.

1 I wanted to just thank really the engagement by
2 the PUC staff and also ISO on this, particularly around the
3 RA issue that we've been working through and incorporating
4 that into the forecast; in particular Keith and Delphine
5 from the ISO, and Simon and crew from the PUC, and also
6 Commissioner Randolph. I think the leadership at the
7 commissioner level at the PUC has been great. And so
8 building kind of super structure of oversight, I guess.
9 But really sort of guidance and direction at the
10 Commissioner level is increasingly necessary as this
11 complexity emerges as well. And so I think staff has been
12 incredibly open to that and very helpful at all the
13 agencies. And it's been a really good foundational year for
14 this effort.

15 So as the Chair said, I think there's kind of no
16 way around having more significant efforts happen in the
17 off years of the IEPR. And this is sort of a first major
18 example of that, but it probably will continue as we
19 confront all these challenges and new questions come up and
20 we have to tweak things a little bit more iteratively. But
21 I'm really happy with where this landed and I want to just
22 again thank all the staff.

23 All right. So I will move Item 5.

24 COMMISSIONER DOUGLAS: Second.

25 CHAIRMAN WEISENMILLER: All those in favor?

1 (Ayes.)

2 CHAIRMAN WEISENMILLER: So Item 5 passes 5-0.

3 Thank you.

4 So now we'll go to Item 2 and I've just got a few
5 words on the process for Item 2. Item 2 is a Small Power
6 Plant Exemption for the McLaren Backup Generating Facility
7 Project. The Commission will consider and act to approve
8 or deny the Petition for Reconsideration filed by Helping
9 Hand Tools.

10 Before we begin hearing from the parties, I'd
11 like to explain the process. Because Helping Hand Tools is
12 the moving party, it will present its arguments first
13 followed by the Project Applicant and then the Commission
14 staff. Helping Hand Tools will have the final say and reply
15 to the other party's arguments.

16 Each party will have up to ten minutes for
17 opening argument and Helping Hand Tools will have up to
18 five minutes for its reply argument. The Commissioners may
19 ask questions during and after the arguments.

20 Once parties' arguments have concluded, the
21 Commissioners will go into closed session as specified in
22 Item 2 of the agenda, which provides notice of a possible
23 closed session for a deliberation, pursuant to Government
24 Code Section 11126(c)3. We will take public comments on
25 this item before going into closed session.

1 Before the arguments begin, we would like the parties
2 to introduce themselves for the record starting with
3 Helping Hand Tools.

4 MR. SARVEY: This is Robert Sarvey on behalf of
5 Helping Hand Tools.

6 MR. GALATI: Scott Galati representing Vantage
7 Data Centers.

8 MR. MEYERS: Spencer Myers, Senior Director of
9 Construction for Vantage Data Centers.

10 MS. DECARLO: Good morning, Lisa DeCarlo, Energy
11 Commission Staff Attorney. With me is Leonidas Payne,
12 Energy Commission Project Manager and on the phone is Jared
13 Babula, also Energy Commission Staff Attorney, who was
14 assigned to the project and he is available in case
15 detailed questions arise.

16 CHAIRMAN WEISENMILLER: Great. We're now ready
17 to hear from Helping Hand Tools.

18 MR. SARVEY: Thank you, Commissioners.

19 The decision makes an error in that it equates
20 the annual emissions calculated from the project for 50
21 hours, with the air quality impacts from the project for 50
22 hours. They're not the same.

23 The decision claims, on page 14, that NO2 air
24 quality impacts have been evaluated with all generators
25 operating for 50 hours per year. That's not so. According

50

1 to the decision, those 50 hours of modeling adequately
2 address the potential for air quality impacts, from 19
3 hours of emergency operations. Once again, annual
4 emissions have been quantified; air quality impacts have
5 not been modeled for 50 years.

6 If you take a look at the evidence, on page 5-3.9
7 of the initial study it states, "With one engine running,
8 for comparison with the National Ambient Air Quality
9 Standards and California Ambient Air Quality Standards, the
10 most conservative hourly emission rate was used assuming
11 one hour of testing at 100 percent load." There has been
12 no testing of these generators simultaneously over 50 hours
13 or even together. Only one generator has been modeled for
14 one hour. That's it.

15 So also the evidence on page 5.3-11 of the
16 approved mitigated declaration for the project states, "The
17 emergency generators would only be tested for four hours
18 annually and five minutes monthly, a total of five hours
19 per year." However, the operation of a pair of generators,
20 with one located above the other or both having the same
21 stack exit, could cause eight hours of operation running
22 (phonetic) two generators to impact a given receptor
23 location and result in a significant impact for the 98
24 percentile eight highest value for the National Ambient Air
25 Quality Standard.

1 We know from the evidence that a 19-hour outage
2 has occurred at Vantage's other Santa Clara data center.
3 So the evidence doesn't support the decision's conclusion
4 that there will be no significant air quality impact from
5 operation of 47 diesel generators, operating at one time,
6 because it's never been modeled.

7 What the impact would be from all the 47
8 generators operating at once, once again, has not been
9 analyzed. According to CEC staff's reply on 2HT's Petition
10 for Reconsideration, the only time all generators might be
11 possibly running at the same time would be if there was an
12 emergency scenario. But there is no condition in this
13 decision or in Santa Clara's mitigated declaration that
14 would not allow them to fire all 47 generators up, at once,
15 any time they want to.

16 As the Vantage press release I provided you -- I
17 hope you had a chance to review it -- demonstrates, on
18 April 26, 2017 Vantage operated all 30 3-megawatt
19 generators at once at their other data center project
20 located two miles away from the McLaren project.

21 This was shortly before the CEC staff incorrectly
22 concluded that the other data center, Santa Clara 1, should
23 not be subject to Energy Commission jurisdiction despite
24 the fact that the data center has 75 megawatts of load.

25 As far as the potential generating capacity of

1 the McLaren Data Center, Vantage's press releases claims
2 that they're going to have three onsite 50-megawatt
3 substations at this project. I'll let you explain to them
4 why they need three.

5 2HT also believes that the SPPE process requires
6 the CEC to engage the environmental justice community in
7 processing this permit. We understand you disagree, but we
8 must continue to point out the federal and state
9 environmental justice responsibilities. And thank you.

10 CHAIRMAN WEISENMILLER: Thank you.

11 Applicant?

12 MR. GALATI: Thank you, Commissioners. Scott
13 Galati.

14 I filed a response to the Petition for
15 Reconsideration. I'd like to break it into three pieces.
16 First, what the Commission should be deciding is, is there
17 an error of fact or law or is there any new evidence that
18 could not have been raised during the hearings that the
19 Commission had here, that would warrant us stepping back
20 and reconsidering the decision.

21 To put this in perspective, the Energy Commission
22 made a decision exempting this project. The Air District
23 has issued the ATCs. The generators have been delivered to
24 the site and are sitting on the site now. The demolition
25 has been completed for Phase 1. The city has issued its

1 foundation permit for Phase 1 and that construction is
2 ongoing. The substation is being built by Silicon Valley
3 Power.

4 This was made clear to the Commission, at the
5 Committee at the time, that we were under a very tight
6 timeframe to be able to meet our requirements and that we
7 were going to go to construction as soon as we could. And
8 we've done that.

9 The pieces I want to separate into two, is what
10 you may have in front of you, what was docketed this
11 morning. What Mr. Sarvey just talked about before is a
12 document from 2017. You can reject it based on the
13 Petition for Reconsideration, because Mr. Sarvey could have
14 brought this evidence to the Committee and we could have
15 had a conversation about it. I'm happy to address it
16 should the Commission want, however I think you should just
17 reject it.

18 If you don't reject it on those grounds, you
19 could reject it on the grounds that he was supposed to file
20 anything, any reply he had on January 4th. He didn't. So
21 luckily, I had my phone on during the other items and I was
22 able to read this document. We are prepared to address it
23 should you want us to address it.

24 The second piece, and the primary piece that I
25 think you should focus on is that -- and I'll let staff

1 address the issue of whether a Small Power Plant Exemption
2 could even allow this Petition for Reconsideration. My
3 reply? I support staff. I do not believe we should be
4 here, that there is no Petition for Reconsideration
5 opportunity under your regulations or the statute for a
6 Small Power Plant Exemption.

7 But if you do consider this petition, this
8 Intervener has been very involved in this project.
9 Nothing, nothing in his Petition for Reconsideration is not
10 been raised in writing multiple times. For example, the
11 generating capacity issue, there's no fewer than eight
12 documents filed by Helping Hand Tools repeating the exact
13 same arguments. There were no -- we talked about it at
14 both evidentiary hearings, where the exact same arguments
15 were made. We came to the business meeting where the exact
16 same objection was made. I don't think we need to continue
17 any more on generating capacity.

18 And you would send a very strong message to the
19 rest of the interveners that Petitions for Reconsideration
20 are not another bite at the apple. They are not for
21 rehashing. They are only for that new evidence that you
22 couldn't have obtained during the hearing or some error.
23 So let me address the error.

24 Mr. Sarvey equates modeling with evaluation. He
25 creates NO2 modeling with analysis. What you heard from

1 your staff and from the Applicant was that modeling NO2
2 impacts during an emergency wouldn't give you the
3 appropriate information due to the uncertainty of what the
4 background criteria would be. What the analysis that we
5 believe you relied on in the final decision was that not
6 individual modeling, but the fact that NOx emissions are
7 offset.

8 Now let me just take a step back, because while
9 the Commission, during AFC proceedings, looks at things
10 from a CEQA perspective, looks at things from a compliance
11 with LORS perspective, may have done a much more in-depth
12 analysis. But other agencies who implement CEQA don't
13 always model, for example, for NO2 impacts. In fact, this
14 project with its 32 generators, which was the original
15 iteration of this project, went through CEQA review with
16 the City of Santa Clara where none of that modeling was
17 required for them to determine that there was no
18 significant impact.

19 So really what's happening is Mr. Sarvey said,
20 "This is how you should do it." The Committee heard that
21 and chose not to. That's not an error of law. That's not
22 an error of fact. That's a disagreement, a disagreement
23 that was discussed. We had probably an hour of an
24 evidentiary hearing on this subject alone where experts
25 were there. So this is not the time to redo that. We can

1 feel very comfortable that the Committee and then
2 ultimately the Commission considered all of these arguments
3 and there is nothing new.

4 Lastly, I would like you to send a very strong
5 message that not only should petitions like this not be
6 brought for a Small Power Plant Exemption, but there has to
7 be finality. People are making decisions, large financial
8 decisions, on that finality. And that's what this client
9 has done. They followed the rules. We came here. We
10 resolved our issues. And we had no disagreement with
11 staff. And now we have air permits and we are in the
12 middle of construction.

13 So please, in your closed session, come back
14 quickly and deny this Petition for Reconsideration.

15 CHAIRMAN WEISENMILLER: Mr. Galati?

16 MR. GALATI: Yes?

17 CHAIRMAN WEISENMILLER: I'm not going to rule on
18 whether or not we're accepting the document. But just in
19 case, I'd like you to respond to it, which would get it
20 potentially in the record and give Mr. Sarvey a chance to
21 respond to your response, so we have a complete -- again,
22 we may or may not decide to let it in. But (indiscernible)
23 --

24 MR. GALATI: That we can do then. So
25 Commissioner, I'll give the overview, if I can. And if we

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1 need any additional detail Mr. Myers is here and can
2 provide that.

3 So there are two campuses, the McLaren Campus,
4 which is the Small Power Plant Exemption that you
5 identified, is a build from the ground up by Vantage. The
6 other campus was a campus that it bought and had been built
7 in different piecemeal, so to speak, and expansions over a
8 period of time. That was not designed in the same way that
9 McLaren has been designed.

10 And so what they've been able to do before was to
11 test individual buildings. In 2017, they chose to shut
12 down the facility and test if it all worked together. That
13 was unique to that campus. It is not what we have with
14 McLaren. It will not be done for McLaren. And therefore,
15 it is absolutely irrelevant to anything that you're
16 discussing.

17 In addition, the 150-megawatt substation is, just
18 like everything else that Vantage has done is about
19 providing redundancy. There is another 50-megawatt
20 transformer should one break. The Committee is well aware
21 that Silicon Valley Power can only deliver, under our
22 agreement, up to 100 megawatts, not 150. We have also
23 agreed that the rules would require us, if we expanded
24 beyond 100 megawatts, to come back and have a conversation
25 with the Commission. The Commission included a

1 Condition of Approval, which we think is unnecessary and
2 maybe not enforceable in the same way that the Committee
3 does, but it doesn't matter. We've told the city that we
4 would take the condition and the city will include such a
5 condition.

6 So everything Mr. Sarvey has said about this new
7 document is irrelevant and again, trying to keep your eye
8 off the prize, which is what is his grounds and what does
9 he need to prove to win in a Petition for Reconsideration,
10 even if one is allowed.

11 Thank you, Commissioners.

12 CHAIRMAN WEISENMILLER: So staff?

13 MS. DECARLO: Thank you, Lisa DeCarlo. On
14 December 20th, 2018 Energy Commission staff submitted a
15 reply to Helping Hand Tools' Petition for Reconsideration.
16 And I'll just quickly summarize the gist of our response.

17 Staff recommends the Energy Commission deny
18 Helping Hand Tools' Petition for Reconsideration on the
19 basis of the Energy Commission's statutory and regulatory
20 provisions do not provide for reconsideration of Small
21 Power Plant Exemption determinations.

22 Once granted, a Small Power Plant Exemption
23 exempts a project from all provisions in Chapter 6 of the
24 Warren-Alquist Act, including Section 25530, a provision
25 that would otherwise allow the Energy Commission to order a

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1 reconsideration of decisions or orders made under the
2 chapter.

3 This is a plain reading of the statute, but there
4 is also a practical reason for reaching this conclusion. A
5 Commission decision on exemption is not the final step
6 before a project approval. It is simply one step in a long
7 process, a long public process, allowing a project to
8 subsequently go before all other state, local and regional
9 entities that the Energy Commission would ordinarily stand
10 in the shoes of, so seek applicable permits.

11 In this case, McLaren will need to obtain permits
12 from both the City of Santa Clara and the Bay Area Air
13 Quality Management District.

14 Understanding this limited role, our regulations
15 provide for an expedited process to consider Small Power
16 Plant Exemption applications, within ideally 135 days.

17 To read into this process, an automatic delay of
18 an extra 30 days for a Petition for Reconsideration, with
19 the potential for an extra 90 days or even more on top of
20 that, if the Energy Commission agrees to consider
21 reconsideration, would result in potentially doubling the
22 amount of time originally called for in processing the
23 application.

24 The potential for such a delay does not seem
25 reasonable for a decision where the Energy Commission has

1 determined that it will not issue a permit for the project
2 and that instead the project will need to seek its permits
3 from the various other entities with jurisdiction, and
4 comply with those public processes.

5 Allowing for reconsideration in this situation
6 also has the potential to create confusion as to when
7 exactly these other entities may exercise their
8 jurisdiction. And Mr. Galati has provided some detail
9 about how that affects McLaren at this point.

10 Even if reconsideration were provided for here,
11 however Petitioner has not met the burden required to show
12 that it is warranted. Reconsideration is only warranted
13 where a petitioner can show that there is new evidence or
14 an error of fact or change or error of law.

15 On page 2 of the petition, Helping Hand Tools
16 itself admits that the matter it raises in the petition,
17 matters that it raises, were raised before in the
18 proceeding. And both staff's and the project owner's
19 responses to the petition provide a thorough accounting of
20 where in the record these issues have previously been
21 raised and addressed, as has Mr. Galati's presentation
22 today.

23 Therefore, Petitioner has failed to meet its
24 burden even if the Commission were to determine that
25 reconsideration was appropriate in an SB 3 (phonetic)

1 process.

2 For all of these reasons staff recommends denial
3 of the petition and we are available to answer any new
4 questions you may have.

5 CHAIRMAN WEISENMILLER: Thank you.

6 Mr. Sarvey?

7 MR. SARVEY: Oh, yes. Obviously for us to take
8 this issue to court we have to exhaust our administrative
9 remedy. In order to do so we have to give you an
10 opportunity to look at the facts, which I've outlined. And
11 without that we're just going to get thrown out of court,
12 so this is your opportunity to change your mind when I have
13 demonstrated to you that you're looking at the wrong issue.
14 You're looking at the annual emissions from this thing, as
15 opposed to the modeling, the one-hour NO2 impact from these
16 generators running. And that's been modeled.

17 I've been in contact with the Air District. To
18 my knowledge no permit has been issued to this project.
19 And to my knowledge they haven't even provided a permit to
20 the Air District for 47 generators. They do have one for
21 32, but I do not believe it's been approved.

22 So if you make no changes today, to this
23 reconsideration, you must include a condition preventing
24 them from running these things simultaneously just to test
25 them like they did here at their other Vantage Data Center.

1 That was absolutely wrong to test 47 diesel generators.
2 They can test them one at a time. They can find out all
3 their issues. There is no reason to turn on 47 diesel
4 generators just to test.

5 So I would ask you, if nothing else in this
6 reconsideration, provide a condition that prevents that
7 from happening. And I thank you for your time.

8 CHAIRMAN WEISENMILLER: Thank you.

9 Is there any public comment from anyone in the
10 room? Any public comment from anyone on the line?

11 (No audible response.)

12 CHAIRMAN WEISENMILLER: Okay. Now the Commission
13 will now go into closed session. We will return to open
14 session, I would say about noon, maybe? You know, again I
15 can't say we've had a great track record on this aspect of
16 our forecast, but we'll let you know when we're back.

17 (Off the record at 11:52 a.m.)

18 (On the record at 12:03 p.m.)

19 CHAIRMAN WEISENMILLER: Okay. We're back on the
20 record after deliberating in closed session. We'll now
21 vote on the Petition for Reconsideration. Is there a
22 motion?

23 COMMISSIONER DOUGLAS: Yes, there is a motion. I
24 move that the Commission deny the Petition for
25 Reconsideration on the grounds that Helping Hand Tools has

1 not presented any new evidence that despite the diligence
2 of the moving party could not have been produced during the
3 evidentiary hearings in the case. Or that the final
4 decision adopted November 7th, 2018 contains an error in
5 fact or change or error in law.

6 Petitioner has not established that the document
7 presented today, dated May 17th, 2017, could not have been
8 submitted previously.

9 I further move that we continue this item to the
10 end of the business meeting to give the Chief Counsel's
11 Office time to prepare a proposed order consistent with
12 this motion and the Commission's deliberations. And
13 present it for our consideration and approval.

14 COMMISSIONER SCOTT: Second.

15 CHAIRMAN WEISENMILLER: Okay. All those in
16 favor?

17 (Ayes.)

18 CHAIRMAN WEISENMILLER: This motion passes 5-0.

19 We'll continue this item. We'll be back in
20 session at 1:00. And at that point we're hoping that the
21 Chief Counsel's Office can distribute a proposed decision.
22 Then we will consider that proposed decision after Items 6,
23 7, and 8, presuming that will give people sufficient time
24 to review it including us.

25 And so we will be back at that stage: 1:00

1 o'clock the decision, and then we'll vote on it or consider
2 it after 6, 7, and 8.

3 MR. GALATI: Thank you very much.

4 (Off the record at 12:06 p.m.)

5 (On the record at 1:02 p.m.)

6 CHAIRMAN WEISENMILLER: Okay. We're back in
7 session, please?

8 MS. COCHRAN: Good afternoon Chair and
9 Commissioners, returning to Item 2 that you had asked that
10 an order be prepared. An Order on the Petition for
11 Reconsideration has been placed on the dais for all of your
12 review. I've also presented copies of that same draft to
13 Mr. Galati and to Ms. DeCarlo. I'm not seeing Mr. Sarvey
14 in order to present one to him. I did give additional
15 copies to the Public Adviser to provide. And it will be
16 available on the screen, on the P drive, for purposes for
17 later discussion. My understanding is that this matter
18 will be brought back after Item 8 for action.

19 CHAIRMAN WEISENMILLER: Right. Thank you.

20 Let's go to Item Number 6.

21 MR. ALVARADO: Good afternoon, Chair Weisenmiller
22 and Commissioners. I'm Al Alvarado. I'm the Program
23 Manager in the Siting, Transmission and Environmental
24 Protection Division. I'm here to present a proposed
25 resolution seeking your approval for a second interagency

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1 agreement between the California Public Utilities
2 Commission and the Energy Commission.

3 The first interagency agreement, which was
4 approved by the Public Utilities Commission and the Energy
5 Commission back in 2017, which has the Energy Commission
6 staff providing technical support for preparing California
7 Environmental Quality Act documents for infrastructure
8 regulatory applications. The Siting Division is completing
9 one transmission line analysis that we prepared for the
10 Public Utilities Commission and is currently on a second
11 project.

12 The second interagency agreement includes
13 technical services required for resource planning, studies,
14 energy infrastructure project evaluations, and analytical
15 support for Federal Energy Regulatory Commission
16 proceedings.

17 We have been working closely with Energy Division
18 staff to identify the different types of analysis that they
19 could use from help with the Energy Commission staff. And
20 we've identified a scope of work that is in the draft
21 interagency agreement, which would involve electric and
22 natural gas system simulation modeling. We would also
23 include assessments for energy infrastructure projects,
24 evaluations of alternatives and costs for transmission
25 projects, land use and environmental screening analysis of

1 proposed infrastructure projects, and also geographic
2 information system applications.

3 The staff in the Siting Division and the Energy
4 Assessments Division has the technical skills and years of
5 related experience to conduct the types studies identified
6 by the PUC.

7 The CPUC will reimburse the Energy Commission for
8 these technical services up to \$1 million over a three-year
9 period. And we believe that this second interagency
10 agreement is a positive step towards a continued
11 collaboration with the PUC. So with that we're thereby
12 seeking your approval of this resolution and interagency
13 agreement.

14 CHAIRMAN WEISENMILLER: Thank you.

15 Let's start at is there any public comment from
16 anyone in the room? How about on the phone?

17 (No audible response.)

18 CHAIRMAN WEISENMILLER: Okay. So let's
19 transition over to the Commissioners. I was at least going
20 to start by indicating that this is an effort that
21 President Picker and I started a while back, where we could
22 provide assistance to the PUC in some of the environmental
23 review, which would certainly help them deal with some of
24 their workload issues and certainly also help us to address
25 some of our issues here. So it's been good that it's been

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1 successful and now we're looking at expansion on certainly
2 one, the Governor's Military Affairs Council met in August.
3 They talked about a particular gas pipeline project that
4 was important to them.

5 COMMISSIONER DOUGLAS: I'll just add, I really
6 appreciate Chair Weisenmiller and President Picker's
7 leadership on this collaboration with the PUC. I think
8 that it's definitely a win-win for both of our agencies.
9 The PUC is getting some very strong -- access to some very
10 strong analytical capability here at the Energy Commission.
11 It's absolutely an efficient way for us to work together
12 and it's a way for us to help solve problems and do
13 analyses that are very relevant to both of our agencies
14 now.

15 And so I'm in strong support of this. I'm very
16 pleased to see the staff here, and of the PUC, step up and
17 take advantage of this collaboration and build on it.

18 Are there other comments on this?

19 CHAIRMAN WEISENMILLER: I was just going to make
20 the observation that I know the employee union leader
21 approached me and certainly reminded me generally, of the
22 fact that when we do contracts we cannot contract for
23 things that can be done by state civil servants. And so
24 certainly that applies in this condition too, right?

25 COMMISSIONER DOUGLAS: All right, very good. So

1 I'll move approval of Item 6.

2 COMMISSIONER MCALLISTER: Second.

3 CHAIRMAN WEISENMILLER: All those in favor?

4 (Ayes.)

5 CHAIRMAN WEISENMILLER: This passes 5-0. Thanks.

6 MR. ALVARADO: Thank you.

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

8 MS. SALAZAR: Good afternoon, Commissioners. My
9 name is Rachel Salazar and I work with the Energy Research
10 and Development Division. I'm here seeking approval of
11 four new grant agreements that resulted from an EPIC
12 solicitation titled "Bringing Rapid Innovation Development
13 to Green Energy," or BRIDGE for short.

14 BRIDGE provides follow-on funding to the most
15 promising early-stage technologies that received a previous
16 funding award from an eligible federal funding agency or
17 Energy Commission research program.

18 The solicitation stems from ongoing coordination
19 with the DOE's ARPA-E Program, and allows startup companies
20 to continue development of their technologies without
21 having to wait years for a topic-specific solicitation to
22 be released. And I'll provide a brief overview of the four
23 projects now.

24 The first agreement is with Lucent Optics to
25 further develop and test a flexible panel that defuses

1 light more optimally. These panels are made from an
2 ultrathin plastic and contain strips of LEDs that reflect
3 light across the panel. The lightweight flexible design
4 allows panels to be incorporated into flat or curved
5 surfaces, or to be used as standalone luminaires. They can
6 also be wrapped around objects for a more unique lighting
7 display.

8 By increasing the amount of lumens per watt, less
9 luminaires are needed, providing both energy and cost
10 savings.

11 The panels are also easier and cheaper to
12 install, especially in new construction office spaces. For
13 example, by replacing the traditional lighting troppers
14 (phonetic) with these panels, box-type housing for
15 florescent and LED lamps would no longer be needed.

16 Lucent will work to complete development and
17 scale up the panels to meet traditional linear large-area
18 fixture sizes. They will also reduce production costs to
19 stimulate greater adoption of solid state lighting.

20 COMMISSIONER HOCHSCHILD: Can we ask questions as
21 you go through?

22 MS. SALAZAR: Sure.

23 COMMISSIONER HOCHSCHILD: Just a real quick one,
24 what's the expected life cycle of the product?

25 MS. SALAZAR: Oh, goodness, nothing here.

1 COMMISSIONER HOCHSCHILD: Do you know, Erik, off
2 hand where?

3 MR. STOKES: We have to probably have to go back
4 to the proposal and see if that information (indiscernible)
5 or ask the recipient if they have that information.

6 COMMISSIONER HOCHSCHILD: Okay.

7 CHAIRMAN WEISENMILLER: Erik, can I have you
8 identify yourself for the record?

9 MR. STOKES: Oh, I'm sorry. Erik Stokes, Manager
10 for the Energy Deployment and Market Facilitation Office of
11 the Research and Development Division.

12 MS. SALAZAR: In the second agreement Ubiquitous
13 Energy will continue development of their innovative glass
14 coating technology to offer a more dynamic window product
15 that will generate electricity and reduce heat gains.
16 Similar products offer consumers a reduction in heat gains,
17 but are expensive and have unfavorable color temps.
18 Additionally, none of them utilize the solar heat being
19 reflected away to generate energy for onsite usage.

20 The ClearView Power technology is a solar
21 producing coating that can be applied directly to windows.
22 By absorbing both ultraviolet and infrared light the
23 technology can lower HVAC demands by up to 30 percent.
24 What's more, Ubiquitous has achieved color neutrality in
25 the coating allowing consumers a more natural aesthetic.

1 Ubiquitous achieved early success in applying
2 their coating on a 6 x 6 piece of glass. And they are now
3 looking to develop new processing techniques for
4 integrating the technology into standard window
5 manufacturing scaling up to produce 14 x 20 prototypes.
6 These will be tested to ensure they meet commercially
7 viable levels of durability, energy savings, electricity
8 generation and aesthetics.

9 COMMISSIONER HOCHSCHILD: I actually have the
10 same question about do you know the expected life cycle,
11 Erik, for this?

12 MR. STOKES: (Off mic) I think that we can look
13 back at what they've been able to prototype on their 6 x 6
14 glass panel. They've gone up to 96 percent yields with
15 their current testing on 6 x 6 or (indiscernible) is
16 establish some of those how long will this technology hold
17 up? Specifically will it meet kind of specifications you'd
18 need for a (indiscernible) market. And that's part of the
19 testing that (indecipherable) this project.

20 COMMISSIONER HOCHSCHILD: Yeah, the reason I ask
21 is for some of the film applications, they can have pretty
22 poor degradation ratios. And you can test that in the
23 ovens where they test it and stuff. And it is a concern I
24 have that you may have great performance in year one, two,
25 three, that then drops off pretty precipitously. So just

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1 going forward I mean it'd be great to get estimates on this
2 kind of thing. That's a question I really think we should
3 be looking at.

4 Because it's not just the initial performance,
5 it's the -- for example with Crystalline PV in glass, like
6 we know that's a 25-year warranty product, right? But this
7 has been kind of the Achilles Heel when people have tried
8 this before. And I think there's been some steps forward,
9 but it'd be great to know more. Yeah.

10 MS. SALAZAR: In the third agreement, Heliotrope
11 Technologies will demonstrate another dynamic window
12 product. Their electrochromic windows overcome common
13 limitations to broader market penetration such as high
14 costs, unfavorable aesthetics and a lack of controls
15 allowing windows to properly respond to occupant and
16 building needs throughout seasonal climates.

17 Heliotrope's nanocrystal technology is a low-cost
18 solution that overcomes all of those limitations. The
19 windows can be customized to reach different transparency
20 levels for optimal heat gain and insulation performance and
21 are offered in a neutral gray tint.

22 Heliotrope aims to achieve a price point below
23 \$25 per square foot, which is well below the \$50 to \$80
24 price range for electrochromic windows and cost competitive
25 with other dynamic window products.

1 Heliotrope will further develop their control
2 algorithms before installing advanced prototypes at sites
3 including Lawrence Berkeley National Lab where film
4 monitoring can validate energy savings and ensure consumer
5 acceptance before commercialization.

6 And in the last agreement, Glint Photonics will
7 approach lighting efficiency with a different metric.
8 Typically when we think about increasing lumens per watt to
9 increase efficiency, but with light utilization you can
10 target light to where it's most needed rather than lighting
11 an entire space. Glint provides a low-profile luminaire
12 product line that can be mounted stationary, and are
13 capable of projecting beams that can be steered and
14 broadened as needed.

15 For this project Glint will develop the software
16 control systems to enhance their products and enable remote
17 adjusting, eliminating the need for time-consuming and
18 unfaith manual adjustments whenever a scene change is
19 needed.

20 They will also further develop two luminaires
21 that incorporate the automated controls. One for spaces
22 with high ceilings needing only periodic adjustments such
23 as cargo ships and art galleries, and one with motion
24 sensor tracking intended for enhanced task lighting. Both
25 products will be provided for less than \$200 and should

1 achieve at least 25 percent energy savings over
2 conventional luminaires.

3 And that concludes my presentation today. I'm
4 happy to answer any questions you may have.

5 CHAIRMAN WEISENMILLER: Great.

6 So first is there any public either in the room
7 or the phone? Okay, great.

8 So again transitioning back to the Commissioners
9 then, you know, this is an exciting new approach, BRIDGE
10 has been. And we've had a long relationship with ARPA-E.
11 You know, actually before we even got the authorization to
12 restart Cheryl Martin was a big -- who was then head of
13 ARPA-E was a bit supporter and resigned our agreement for
14 state to have a relationship with ARPA-E on the technology
15 side. Their relationship to what we do, they tend to be
16 more in the early stage although interesting enough, they
17 focus on a lot on to-market parts. And also focus a lot on
18 hopefully more on homeruns than incremental improvements.

19 But we've found over time that there is a lot of
20 back and forth. There are times where they work on a
21 project in California, which then becomes something that
22 becomes part of our stable. And we've also had ones where
23 we have done something and somehow it then ends up in their
24 stable in spite of the fact we're sort of somewhat further
25 along than we thought.

1 So basically, we're looking to help these
2 synergies there. And certainly continue to try to learn
3 from what they're doing and that they try to work with us
4 on what we're doing and vice versa. So it's been pretty
5 good.

6 As we struggle on average to trying to take ideas
7 from lab to market it's always hard. And as Commissioner
8 Hochschild pointed out there's always questions like, okay
9 this looks great. And what happens as you put it out in
10 the field and how long is it going to last and what its
11 performance going to be over time?

12 But anyway it's good for us to continue to deepen
13 the relationship with them, even though obviously at this
14 point it's changed from something through our relationship
15 where they've really made a marquis early on and at this
16 point I think they'd rather not tell other people in the
17 Trump Administration that they know us. But anyway, but
18 we're still working together pretty well.

19 COMMISSIONER SCOTT: I got a great briefing from
20 staff on this and I wanted to note that the approach is
21 also very exciting to me on this. I like the name for
22 BRIDGE. And the idea that we can find more efficient and
23 effective ways to leverage other funding pots that are
24 available by having a funding pot like this one, that
25 allows us to align schedules and timelines, so that you

1 don't have maybe an ARPA-E grant and then it takes nine
2 months for us to develop a solicitation around something.
3 And then a year later they get awarded and then you have
4 these gaps between funding.

5 It's another fantastic idea that I told the EPIC
6 team I'd like to bring into the ARFVTP as well, so I think
7 the funding approach here is really great, as well. And I
8 will -- did you have anything?

9 COMMISSIONER MCALLISTER: Yeah, as always I've
10 got my eye on Building Standards even though we just
11 finished a cycle. But there's a couple of great
12 technologies that have a lot of potential if they pan out
13 and but this is how it starts, right? It's find a good
14 technology that we can then maybe have as a voluntary
15 compliance path. And then eventually if it really pans out
16 to be durable and robust and market ready then we can
17 potentially meet ten years down the line and put it in the
18 mandatory code. So it's all good for progress, so thanks.

19 So I'll move this item.

20 COMMISSIONER SCOTT: Second.

21 CHAIRMAN WEISENMILLER: All those in favor?

22 (Ayes.)

23 CHAIRMAN WEISENMILLER: This item passes 5-0.

24 Thank you.

25 MS. SALAZAR: Thank you.

1 COMMISSIONER HOCHSCHILD: Thank you all.

2 CHAIRMAN WEISENMILLER: Before we go on to 8, I
3 was going to ask the Public Adviser is she could email a
4 copy of the proposed decision to Mr. Sarvey? Thanks.

5 MR. CROFT: Good afternoon, Chair and
6 Commissioners. My name is Josh Croft from the Research and
7 Development Division. I am here today to request approval
8 of four awards totaling \$1.8 million from the Electric
9 Program Investment Charge's small grant program, the
10 CalSEED Initiative.

11 CalSEED provides small grants to entrepreneurs
12 with early stage clean energy technologies. Applicants
13 first apply for \$150,000 Concept Awards, which also come
14 with access to technical resources and business development
15 expertise. Those that successfully receive Concept Awards
16 are then eligible to compete for 450,000 additional dollars
17 to further develop their innovation. The awards under
18 consideration today are the first of those \$450,000
19 Prototype Awards.

20 The Prototype Awards are given to CalSEED Concept
21 Award recipients who have shown the greatest technical and
22 commercial potential.

23 This determination is made through a Business
24 Plan Competition where the CalSEED entrepreneurs take the
25 results of their previous CalSEED Concept Award as well as

1 business case information they developed during a CalSEED-
2 sponsored entrepreneurial boot camp.

3 They pitched their case to a panel of judges who
4 evaluate for technology impact, business strategy, and the
5 expertise and experience of the team. The first Prototype
6 Award Business Plan Competition took place in October 2018
7 and the companies with the top four scores are presented
8 here for your approval.

9 The four companies with the highest scores are:
10 CodeCycle, PowerFlex Systems, Nativus, and Sepion
11 Technologies

12 The first company, CodeCycle, has a software
13 platform that converts energy code compliance activities
14 from a paper-based system to an easy-to-use software
15 interface. Targeted users are building designers,
16 contractors, and building inspectors.

17 The software allows designers to determine
18 compliance in real time. And during construction
19 inspectors know which inspection areas save the most energy
20 and can prioritize accordingly. The goal here is to make
21 code compliance easier during design and to guide the
22 inspection process during construction. Currently, the
23 software is being piloted in six cities and covers the
24 commercial lighting portion of code. The Prototype Award
25 will allow the team to expand code coverage to include

1 items such as the building envelope, HVAC, and the
2 residential energy standards. They are also looking to
3 partner with additional cities.

4 The next company, Nativus, has a new design for
5 room air conditioners that is significantly more efficient
6 and lighter. Conventional HVAC design loses efficiency due
7 to an insulating air boundary layer that lowers the
8 system's ability to move heat. Nativus's innovative design
9 combines the heat exchanger surface, the motor, and the
10 compressor with the fan, creating a single, rotating design
11 that addresses the boundary layer problem. At lab scale
12 Nativus has seen a 50 percent power reduction compared to
13 commercially available ACs of similar size, while being
14 able to provide similar cooling capacity.

15 With the Prototype Award, Nativus will move
16 development of their technology to the prototype scale, and
17 will conduct further component and system-level validation,
18 ultimately seeking third-party testing and certification.

19 The next company is Powerflex. Facilities that
20 adopt EV charging can see their peak energy loads increase
21 significantly, which increases their bills and the strain
22 to the grid. Powerflex has developed a software platform
23 that jointly optimizes multiple levels of EV charging,
24 solar PV generation, energy storage, customer preferences,
25 and building load.

1 During the Concept Award, Powerflex implemented a
2 real-time adaptive charging system that focused on Level-2
3 charging. They found that they could reduce peak load
4 charging by more than 40 percent while still meeting
5 customer charging demands.

6 With the Prototype award, Powerflex Systems will
7 develop and pilot a system that can jointly optimize Level-
8 2 and Level-3 charging on the same electrical
9 infrastructure in a way that is still optimal for solar
10 generation and building load, balancing these sometimes
11 conflicting objectives while reducing peak demand charges.

12 Sepion Technologies, the last company before you
13 today, has developed a battery membrane that can enable
14 market adoption of higher energy density batteries. In
15 batteries, Lithium-metal anodes offer higher energy
16 densities than traditional graphite anodes, but are held
17 back by ceramic membrane technologies, which have not been
18 able to be produced cheaply at scale.

19 Sepion has developed a new composite membrane,
20 which will provide the same protection to the Lithium-metal
21 battery and the same performance, but can be produced in a
22 roll-to-roll process resulting in lower costs and the
23 ability to easily scale into existing manufacturing.

24 During the Concept Award, Sepion demonstrated
25 their membrane's ability to protect the lithium metal

1 battery and maintain performance. With the Prototype
2 Award, the team will scale up production volume with roll-
3 to-roll manufacturing while demonstrating that the enhanced
4 performance and protection demonstrated at a small scale is
5 still there.

6 Thank you, and I'm happy to answer any questions
7 that you may have.

8 CHAIRMAN WEISENMILLER: Thank you.

9 First, are there any comments from anyone in the
10 room? On the line? Okay. So again, I'll start the
11 conversation at least.

12 As you indicated, this is the first of the
13 prototype awards, which is again I think we all felt really
14 good about giving out some small checks to small companies
15 to get some of their ideas along. This is taking it to the
16 next step on hopefully the more successful ones. I think
17 certainly this is an interesting suite of technologies and
18 I think all of us are looking forward to what the results
19 look like.

20 COMMISSIONER HOCHSCHILD: Yeah, if I could just
21 add on to your comments, Mr. Chairman? I was with Erik
22 Stokes I don't know, six or eight months ago, when a number
23 of these companies presented at the Innovation Forum for
24 the CalSEED Program in San Francisco. And it's great to

1 see these companies come back. I just really want to
2 validate this model.

3 I confess, I was a little bit skeptical when we
4 started this, because the initial grants are so small that
5 I questioned, \$150,000, is that enough to even do anything
6 meaningful? But what I think is clear is it becomes a
7 lever to raise other money and to get the kind of support
8 and interest and sort of mentoring that entrepreneurs need.
9 It's a real seal of approval.

10 And then I just have to say we're here approving
11 -- I just added up \$15 million of grants today and all of
12 these looks spectacular. We're here at a moment when the
13 federal government is shut down. Like we're not
14 functioning as a country, but as a state we're doing this.
15 And this is all -- these are going to be the technologies
16 and industries of the future. And I'm just really proud to
17 see this progress.

18 And I really want to thank you, Mr. Chairman, for
19 pushing as you have on this. I mean this is the -- I think
20 this is like the crown jewel of what we're doing now, is
21 investing in the technologies that are going to power our
22 future. I really want to thank all the staff who've been
23 working so hard on this, just a terrific array of
24 companies.

25 So yeah, happy to move the item when you're

1 ready.

2 CHAIRMAN WEISENMILLER: Actually, hold on one
3 second. I mean normally I never do this but never say
4 never. So unfortunately, CalCEF's participant here has
5 happened to step out just as we were dealing with this, and
6 has been sitting there all day long, so please come up.
7 Although again, never, never again, you know, that is
8 people have a chance to say something and they stop and
9 then we discuss it.

10 MS. DALSTROM: My apologies, Commissioners. I
11 just wanted to take this opportunity to introduce myself.
12 I'm Tenley Dalstrom. I'm the Director of California
13 Programs at the California Clean Energy Fund. And the
14 CalCEF team is very excited to be here today to recommend
15 and celebrate CodeCycle, Nativus, PowerFlex Systems and
16 Sepion Technologies as our first group of CalSEED prototype
17 awardees.

18 These companies were selected through a rigorous
19 process, as Josh mentioned, of a Business Plan Competition
20 and pitch sessions, conducted in strong partnership with
21 the Cleantech Open West, and the help of judges who
22 graciously volunteered their time and expertise. These
23 four companies exemplify the diversity and ingenuity of the
24 state's clean energy entrepreneurs. And we look forward to
25 supporting their efforts to bring their innovations to

1 commercialization.

2 We'd like to thank our partners at Cleantech Open
3 West for the critical part they play in supporting the
4 CalSEED Program. We'd also like to thank the judges,
5 volunteers and technical advisory committee members for
6 their expertise, guidance and commitment to this effort.

7 Finally, I'd like to thank personally our Energy
8 Commission partners who include Joshua Croft, Anthony Ng
9 and Erik Stokes, who championed this program and worked
10 with our team to bring it to fruition.

11 We deeply appreciate the opportunity to support
12 the growth of the clean energy economy in California and
13 the benefits it provides to the citizens of the state.
14 Thank you for the time.

15 CHAIRMAN WEISENMILLER: Thank you.

16 Commissioners, do you want to make a motion now?
17 Well, actually first, does anyone else have a comment? No.

18 COMMISSIONER HOCHSCHILD: I move the item with
19 enthusiasm.

20 COMMISSIONER MCALLISTER: Second with equal
21 enthusiasm.

22 CHAIRMAN WEISENMILLER: All those in favor?

23 (Ayes.)

24 CHAIRMAN WEISENMILLER: This passed 5-0. Thank
25 you.

1 Now, we're going to go back to Item 2. And I
2 think we may have lost the Hearing Adviser, who she's
3 mailing out to.

4 (Off mic colloquy.)

5 CHAIRMAN WEISENMILLER: We're at Item 2 now.

6 MS. COCHRAN: Oh, I'm so sorry.

7 CHAIRMAN WEISENMILLER: That's fine.

8 MS. COCHRAN: My apologies.

9 As stated we presented a proposed draft of an
10 Order on the Petition for Reconsideration. One thing I
11 wanted to make sure that we noted was that this order is
12 predicated on the Commission's regulations as they existed
13 at the time that the request for reconsideration was
14 received. On January 1st of this year new regs took
15 effect. So this has based on the regs in place at the
16 time.

17 Also, in reviewing this I noted that I made three
18 typographical errors and so I have corrected the
19 Scrivener's errors. And it is available on the P drive if
20 we could pop it up?

21 First of all, on page 2 in the first paragraph of
22 Section 2 of the analysis, the word "section" should be
23 capitalized in the second line. Also the footnote on page
24 number 2, number 12, should read "Section 1720" not
25 "Section 1001 and following." And finally the footnote on

1 page 3, number 18 should delete the "see also" reference
2 TN-PDF.

3 So what's available onscreen is the final version
4 with those errors corrected.

5 So with that, my understanding is that Mr. Sarvey
6 is no longer here. The Public Adviser's Office will be
7 emailing a copy of this to him, so

8 CHAIRMAN WEISENMILLER: And it is the corrected
9 version?

10 MS. COCHRAN: Yes.

11 CHAIRMAN WEISENMILLER: Okay.

12 And well first are there any public comment on
13 this proposed decision, either in the room or on the line?

14 (No audible response.)

15 CHAIRMAN WEISENMILLER: Among the parties, well
16 first the parties, excuse me. Let's start with -- I was
17 going to say well the Applicant is gone, so then we go to
18 staff.

19 MS. DECARLO: Lisa DeCarlo, I do appreciate the
20 clarification that the decision is predicated on the
21 preexisting regulations and not our new ones. I think that
22 will be helpful going forward. And staff has no further
23 comments on the order.

24 CHAIRMAN WEISENMILLER: Okay. I don't see --

25 MS. VACCARO: Chair Weisenmiller, this is

1 Kourtney Vaccaro. I think during the break I was present
2 when Mr. Galati was commenting on the order, so he did have
3 an opportunity to take a look at it. He did review it. It
4 was the one prior to the Scrivener's errors being
5 corrected, but substantively he saw the content. And my
6 recollection is he had a comment, but it really wasn't
7 substantive, so maybe we should (indiscernible)

8 MS. COCHRAN: That is correct. The comment he
9 made was the way that we had referred to the way the
10 Intervener, Helping Hand Tools, he thought that perhaps we
11 had made that plural instead of singular. But I pointed
12 out that we had coined Helping Hand (indecipherable)

13 CHAIRMAN WEISENMILLER: Okay. I guess we should
14 also email him a copy of this. So I sort of observably
15 served, but anyway I think at this stage I'm going to turn
16 it over to Commissioner Douglas.

17 Yes, Alana, do you have any comments back from
18 them? Okay, no.

19 COMMISSIONER DOUGLAS: All right. Well, in that
20 case I want to thank Susan and Kourtney for their work on
21 the order and I move approval.

22 COMMISSIONER HOCHSCHILD: Second.

23 CHAIRMAN WEISENMILLER: All those in favor?

24 (Ayes.)

25 CHAIRMAN WEISENMILLER: The order passes 5-0.

1 Thank you. Thank you.

2 MS. VACCARO: Chair Weisenmiller, just again for
3 the point of clarification, this will be docketed just as
4 any other order or decision. And so members of the public
5 as well as everyone on the Listserv will have ready access
6 to this.

7 CHAIRMAN WEISENMILLER: Okay. All right, that's
8 good. Let's go on to minutes.

9 COMMISSIONER SCOTT: Move approval of the
10 minutes.

11 COMMISSIONER HOCHSCHILD: Second.

12 COMMISSIONER MCALLISTER: Second, oh.

13 CHAIRMAN WEISENMILLER: All those in favor?

14 (Ayes.)

15 CHAIRMAN WEISENMILLER: The minutes pass 5-0.
16 Lead Commissioner, Presiding Member, Commissioner Scott?

17 COMMISSIONER SCOTT: Yeah. Just real quickly I
18 wanted to take a moment to note what an honor and a
19 privilege it has been for me to get to work for Governor
20 Brown. I very much enjoyed his leadership, working on all
21 things transportation and energy related. And note that
22 I'm very much looking forward to working with Governor
23 Newsom, so just a note on the transition.

24 And then wanted to just let you all know that I
25 enjoyed some time off over the holidays with my family,

1 which was really wonderful. I hope everyone else had a
2 chance to do so as well and I wish you all a happy 2019.
3 It's going to be another really busy, interesting and fun
4 year.

5 COMMISSIONER MCALLISTER: Yeah, so likewise happy
6 2019, hard to believe we're already a week in.

7 So I wanted to echo that about Governor Brown.
8 Those comments are wonderful. And he did all these exit
9 interviews and stuff. And they talked to a number of his
10 appointees and high-level officials and stuff. And a
11 couple of them I noted said that, yeah when I talked to him
12 he said, really don't screw this up. And I said, hey he
13 told me that too, that must be his standard line.

14 (Off mic colloquy.)

15 COMMISSIONER MCALLISTER: Yeah, exactly. But
16 things are moving in a great direction. I mean just all
17 the signals are one, you know, great appointees thus far
18 with the new Governor and our friend Kate Gordon is going
19 to be over at OPR, which is good. Unfortunately that's a
20 step down from the COB, from the Prop 39 COB. But we have
21 so much forward momentum that I think it's going to be
22 contagious and the folks coming are going to be eager to
23 collaborate with us and to have us (indiscernible).

24 I just wanted to highlight the correlation with
25 the CPUC on some of the forecasting stuff again I think

1 came up during the meeting with that item, with the
2 forecast. But you know I think we'll -- again we have a
3 great foundation for cooperation at all levels with them.
4 And 2019 should build on that.

5 And then finally I wanted to recognize Karen
6 Holmes who retired recently. And she was just such a
7 stalwart. Maybe she'll be back as a retired annuitant,
8 we'll see, but so helpful on many of the things that I
9 worked on, on efficiency and data and the data regs,
10 particularly, clearly across the board and mentoring other
11 younger staff. She was just really a real team player, so
12 I enjoyed working with her and congratulate her on a nice
13 retirement.

14 COMMISSIONER DOUGLAS: You know, I'll be very
15 brief as well and just join my colleagues in their
16 comments. It's been a tremendous honor to be part of the
17 Brown Administration and to work with the Governor's Office
18 on so many really exciting initiatives in energy and
19 climate change. And I'm excited about the Newsome
20 Administration. I'm excited about the many things that we
21 will have on our plates and that we'll get done in 2019.

22 And I appreciate you, Andrew, bringing up Karen
23 Holmes as well. I was reflecting recently that there are
24 very few issue of a somewhat legal nature that walk into my
25 office where I don't have some memory or reflection of

1 Karen Holmes's involvement at some point in some way. And
2 of course that's particularly been true on the siting side,
3 but not only on the siting side. It is really across the
4 board on the Chief Counsel side that Karen Holmes was just
5 really this tremendous (indiscernible) so thank you.

6 COMMISSIONER HOCHSCHILD: Yeah, sometimes I feel
7 we're a little bit like the mafia, you can never truly
8 leave. We'll come get you. (Laughter.) And no, Karen's
9 been a tremendous asset. And I hope our paths cross again
10 in some capacity with her.

11 And I don't have many updates from the Commission
12 side of things, but just on just reflecting on the passage
13 of time it does feel like the years go by faster than ever
14 now. And I remember, Mr. Chairman, when I got sworn in the
15 first time my daughter, who was 7 saying at that, remember
16 at the SOPC (phonetic) that the (indecipherable) she's now
17 applying to high school. And I'm certainly going to have
18 to fend off boys. (Laughter.)

19 But I think the time goes by fast, because the
20 work is really rewarding and it feels just remarkable to
21 look back and see what we've done, particularly this last
22 year, which for me in the 20 years I've been doing clean
23 energy policy, 2018 was far and away the most gratifying
24 year of my career. Everything's from lighting standards to
25 zero net electricity and all the rest that we got over the

1 finish line. I just continue to engage with a lot of folks
2 from other states who are looking and I think really
3 excited by what we're doing.

4 And I do feel the tide is turning on public
5 opinion on climate. I just actually wrote an Op-ed with my
6 mother about this. Now, for the first time, even within
7 Republican voters in the United States, not only do a
8 majority acknowledge climate change is real, but a fair
9 majority of Republicans in the United States support bold
10 federal action on climate change, which is the first time
11 that's happened. And I think what we're doing in
12 California is showing you can bring a state together and
13 that it can be beneficial to our economy and our society
14 and it's a real important test case. And so it's not new
15 to make that remark, but it is true. There's a lot of eyes
16 on what we're doing. And I feel incredibly proud to work
17 with all of you.

18 I did especially want to acknowledge my
19 assistant, Kathleen, who retired just a week or two ago
20 after 17 years at the Energy Commission and we celebrated
21 her. I just want to wish her a happy retirement as well.

22 CHAIRMAN WEISENMILLER: Yeah, I was going to say
23 we can always speculate whether you getting more gray hair
24 either from your daughter growing up or from the work here,
25 but -- (Laughter.)

1 I was going to note a couple of things. I mean
2 one is in the wrap-up in December I did have the
3 opportunity, Karen and I both went up, Commissioner Douglas
4 and I both went up to Paradise to see that. And that was
5 obviously very touching I think to be there.

6 And I also was back in D.C. for the National
7 Academy of Science meeting. They were looking at basically
8 decarbonization studies that obviously to try to get much
9 money out of the Trump Administration for that sort of
10 work, but they at least have some to help frame that. So
11 we'll see how that comes together in the spring. But
12 again, it was a pretty productive meeting.

13 I think I mentioned earlier that certainly
14 Governor Brown has really set the bar for governors of the
15 state. That's why I encourage people to look at the new
16 book "The Browns of California" by Miriam Pawel. It really
17 looks at not only his legacy but his father's, who
18 certainly, you know, as you're trying to figure out who the
19 greatest California governors were Pat Brown's got to be
20 pretty high up. I mean obviously (indiscernible) --

21 COMMISSIONER HOCHSCHILD: I'm sorry. Who wrote
22 that?

23 CHAIRMAN WEISENMILLER: I was going to say
24 Miriam, I'm going to say Pawel.

25 COMMISSIONER HOCHSCHILD: Brown and Brown?

1 CHAIRMAN WEISENMILLER: Yeah.

2 COMMISSIONER HOCHSCHILD: Okay.

3 CHAIRMAN WEISENMILLER: She did a great book, or
4 actually did two great books: one on Caesar Chavez and one
5 on the farm workers, so a very, very thorough author on
6 stuff and this took a similar approach to Governor Brown.
7 And actually had access, I think he made one change, which
8 was to put the wording of the tombstone to his grandmother,
9 to make sure that was put in the book. But that was the
10 only change to that book. So again, I strongly encourage
11 that, but it certainly looks at not only the two of them,
12 but also going back to his grandfather coming over from
13 Germany. So in a way it does the arc of California history
14 from the gold rush era to yesterday, more or less. So, a
15 really fascinating story. Certainly I think we all know
16 Governor Brown is a fascinating character.

17 Going forward, at least for a long time, it was
18 like if the phone rang really early or really late I always
19 had to guess who was it going to be. But anyway, I suspect
20 that will continue on some level.

21 Anyway let's go on to Chief Counsel's Report.

22 Or actually before I do that, this out of
23 character, but I had a special request from Laurie, so I
24 mean normally as you can tell we all talk looking back.
25 And she asked me to put a plug in for the EPIC Symposium,

1 which will be held on February 19th at the Sacramento
2 Convention Center. I'm not going to go through the whole
3 plug, but just to say it's great. I certainly encourage
4 people's participation. It's free. It's open to the
5 public. It's going to cover really high points of what
6 we've done, great sessions. And I'm sure that you're going
7 to see more publicity on it as we go forward. So again,
8 just to make sure people add that on their calendar.

9 But anyway, Chief Counsel?

10 MS. VACCARO: Nothing to report today.

11 CHAIRMAN WEISENMILLER: Executive Director?

12 MR. BOHAN: Thank you, Chair. I'll be brief, but
13 I'm standing at podium for two reasons. First, I want to
14 show visual that can appear to the folks that are on WebEx
15 and also to let you know that we're looking at adding
16 additional cameras, because right now we have the one
17 behind me, which shows the dais and it's just a set shot.
18 And then we have the one here that shows the podium. And
19 we're looking at making it more dynamic, so we can move
20 around a bit. And then we don't have the situation where
21 there are talking heads that aren't apparent, because
22 they're sitting over here. And it's just a little awkward
23 to ask people to come up here every time.

24 COMMISSIONER HOCHSCHILD: Is there a feature that
25 photo shops out the gray hair?

1 MR. BOHAN: We can work on that. Yes. Yes, I'll
2 need that as well.

3 What I wanted to show you that's a visual is this
4 Accomplishments Report document. This is different from
5 the Version 1, excuse me, Volume 1 of the IEPR that
6 Commissioner Hochschild led, which I think is an excellent
7 look back at the last eight years of our efforts. This
8 just looks at one year, dives a little deeper in the things
9 that might not have made the greatest hits, but are also
10 significant accomplishments. And you'll be getting a pack
11 in a folder like this. It also has individual one-pagers.
12 All this is on our website as well, but they go into each
13 of our primary areas.

14 So I just wanted you to see those things and to
15 thank Albert for his work on pulling all this stuff
16 together and a particular shout out to Bailey Wobschall who
17 is our graphic artist extraordinaire who helps really make
18 this stuff look -- it can look good, but he makes it look
19 fantastic. Thank you.

20 CHAIRMAN WEISENMILLER: Public Adviser?

21 MS. MATHEWS: So I guess I'll have to stand at
22 the podium as well.

23 I do want to say also that I am thankful to have
24 served in the Brown Administration and I look forward to
25 continuing under the venue, a Newsom Administration. And

1 thank you to all of the Commissioners who helped support my
2 role as the Public Adviser.

3 It has been a very exciting year, I think in
4 2018, which opened up a lot of opportunity for me to carry
5 our commitment, our message and our commitment of and
6 priority, of being inclusive with disadvantaged communities
7 and focusing on our diversity commitment across the state
8 and even across the country. I've had opportunities to
9 speak at a couple of different conferences in other states.

10 So I'm very thankful for that, looking forward to
11 wrapping up those efforts. And I liked what Commissioner
12 Hochschild said, mentioning bold new leadership in steps.
13 And making sure that we continue our commitment to be even
14 bolder going forward, as we look at our three priorities of
15 increasing the diversity of our applicants and our funding
16 programs, increasing the benefits of our policies and our
17 programs to include everyone in California, and then
18 internally to increase the diversity of our workforce. So
19 that we can reflect the diversity of the state and benefit
20 and leverage the richness that that provides.

21 The last thing I want to mention is on January
22 25th, we will have our next Disadvantaged Advisory
23 Community Meeting. All of that will be on the notice, but
24 I thought I'd put a plug in. It will be in Fresno, so I'm
25 glad that we've been able to change locations around the

1 state to make sure we have greater participation from
2 everyone. Thank you.

3 CHAIRMAN WEISENMILLER: Any public comment?

4 (No audible response.)

5 CHAIRMAN WEISENMILLER: This meeting is
6 adjourned.

7 (Adjourned the Business Meeting at 1:49 p.m.)

8 --oOo--

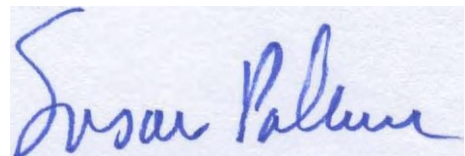
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REPORTER' S CERTIFICATE

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of January, 2019.



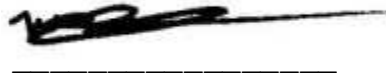
Susan Palmer
Certified
Reporter
CERT 00124

TRANSCRIBER'S CERTIFICATE

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of January, 2019.



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