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Janea Scott, Vice Chair
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Andrew McAllister
Patricia Monahan

Staff Present: (* Via WebEx)

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Alan Ward, Chief Counsel's Office
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i. <i>In the Matter of U.S. Department of Energy (High Level Waste Repository) (Atomic Safety Licensing Board, CAB-04, 63-001-HLW); State of California v. United States Department of Energy (9th Cir. Docket No. 09-71014)</i>	
ii. <i>Communities for a Better Environment and Center for Biological Diversity v. Energy Resources Conservation and Development Commission, and California State Controller, (Alameda County Superior Court, Case No. RG13681262)</i>	
iii. <i>State Energy Resources Conservation and Development Commission v. Electricore, Inc. and ZeroTruck (Sacramento County Superior Court (34-2016-00204586)</i>	
iv. <i>Natural Resources Defense Council, Inc., et al. v. United States Department of Energy (Federal District Court, Northern District of California, (17-cv03404)</i>	
v. <i>City of Los Angeles, acting by and through, its Department of Water and Power v. Energy Commission (Los Angeles Superior Court, Case No. BS171477).</i>	
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b. Pursuant to Government Code section 11126(e), the Energy Commission may also discuss any judicial or administrative proceeding that was formally initiated after this agenda was published; or determine whether facts and circumstances exist that warrant the initiation of litigation, or that constitute a significant exposure to litigation against the Commission, which might include.	
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OCTOBER 14, 2019

10:02 a.m.

CHAIR HOCHSCHILD: Let's begin with the Pledge of Allegiance.

(Whereupon the Pledge of Allegiance is recited)

CHAIR HOCHSCHILD: Thank you. Before we begin, a couple of comments I wanted to make. First, I wanted to welcome my new assistant, Angelica Ramos, so can you raise your hand? (Applause.) Applauding is exactly what I feel like because we've been waiting for her for a while. She has served with the distinction at the Energy Commission for 28 years in the Efficiency Division and is going to be our Assistant in office, so welcome Angelica.

And also, we have a few other folks I wanted to recognize. In particular, we're joined today on her first day at work by Darcie Houck, our terrific new Chief Counsel. And I want to welcome you and invite you to say a few words about your background and areas of interest. Why don't you come up to the podium, Darcie?

MS. HOUCK: Thank you, Chairman. Good morning, Commissioners. Again, my name is Darcie Houck. I'm really pleased to be back at the Commission. I was here as one of my first jobs right out of law school as a staff counsel during the energy crisis. And I still look at that as one of the best jobs I ever had.

1 After leaving the Commission, I went into private
2 practice representing tribes across the country in a
3 variety of forums. And then my most recent position was at
4 the Public Utilities Commission, here in California as an
5 administrative law judge. My areas of focus are energy,
6 environment, natural resources in particular, looking at
7 nuclear decommissioning, tribal issues and renewable
8 affordable energy for low-income communities.

9 So thank you. I look forward to working with
10 each of you, the Executive Office and all of the great
11 attorneys in the Chief Counsel's Offices and our staff as
12 well.

13 CHAIR HOCHSCHILD: Well, thank you, Darcie. It
14 was an exhaustive search. And I particularly want to thank
15 my colleague, Commissioner Douglas, our Attorney
16 Commissioner, for her leadership and assistance in this and
17 just really excited to welcome you to the team.

18 I also wanted to welcome our terrific new Public
19 Advisor, Noemi Gallardo. Why don't you to come up and
20 share a little bit about your background?

21 MS. GALLARDO: Hello, thank you so much, Chair.
22 I appreciate this opportunity. My parents are both
23 immigrants from Mexico who came to the United States with
24 nothing and seeking the American dream, so it an honor for
25 me and my family to have been appointed by the Governor for

1 this role working with such incredible leaders and experts
2 such as the Commissioners and the staff. I look forward to
3 meeting everyone.

4 And I wanted to give a little bit about my
5 background. So I grew up low income and as a little girl
6 helped my parents navigate the English speaking world. And
7 those experiences witnessing my parents struggle, because
8 they lack resources and even a voice motivated me to build
9 my career serving low-income and disadvantaged communities,
10 so that they would not be voiceless like we were sometimes.
11 And for many years I worked as a state certified
12 interpreter serving low-income immigrant workers with
13 limited English proficiency.

14 And after earning a master's in public policy and
15 a law degree, I spent many years doing policy advocacy work
16 from the social justice and economic equity lens at various
17 companies including a foundation, Academic Research Center
18 and my own consulting firm. But I'd like to highlight that
19 a fellowship I did at racial and social justice
20 organization called the Greenlining Institute is where I
21 started my work in energy and got really passionate about
22 making sure that this fundamental resource was accessible
23 and meaningful for low-income communities.

24 And my most recent stint was at Sunrun, a
25 national solar and storage company where I gained

1 significant experience in solar, and focused on increasing
2 that low-income access, advancing workforce diversity and
3 ensuring consumer protection. So given my background, it
4 is a special opportunity for me to serve as a bridge
5 between the Commission and the public and also to help
6 ensure that the voices of all Californians are heard.

7 So as the Public Advisor my areas of focus are
8 going to be increasing outreach to disadvantaged
9 communities, people with disabilities who are struggling
10 with power shutoffs right now, advancing efforts in
11 language access, consumer protection, diversity, equity and
12 inclusion, and also building stronger relationships with
13 external stakeholders who we are currently working with and
14 to new ones as well.

15 So thank you so much. I appreciate this
16 opportunity.

17 CHAIR HOCHSCHILD: Well, great. I really want to
18 say welcome. (Applause.) I really want to recognize the
19 work of Vice Chair Scott for reaching out to disadvantaged
20 communities around the state. And Noemi, you're going to
21 be a big part of that as we ramp up our efforts to build a
22 clean energy future.

23 One important part of your benefits package,
24 Darcie and Noemi that you get to collect today, is both
25 Commissioner McAllister and I are bee keepers and so each

1 of you gets a jar of honey, because when we work together
2 we can make something sweet. So why don't you come up and
3 collect those? (Applause.)

4 CHAIR HOCHSCHILD: Welcome to you both. We're
5 really happy to have you here.

6 Yeah, please go ahead. Yes.

7 COMMISSIONER DOUGLAS: Yeah, I just wanted to
8 obviously welcome both Darcie and Noemi and to say I'm
9 thrilled that both of them joined. I also wanted to thank
10 Alan Ward who's been our Acting Chief Counsel for the last
11 three months as we've going through the search. And he has
12 been very patient and diligent and he has worked very hard
13 to help us keep the Chief Counsel's Office moving and
14 functioning and working very well and continuing to deal
15 with issues in this transition period. And I know he'll be
16 an essential part of the transition in helping Darcie get
17 oriented and get going. And so thank you very much, Alan.

18 CHAIR HOCHSCHILD: Yes, thank you, Alan.
19 (Applause.) And my thanks as well to Jennifer Martin-
20 Gallardo, who served very ably as our Interim Public
21 Advisor.

22 We have one last item to take care of, if we
23 could invite Siva up to the podium.

24 MR. GUNDA: Good morning Chair, Vice Chair and
25 the Commissioners. I'm Siva Gunda, the Deputy Director for

1 the Energy Assessments Division and I'm here to recognize
2 the incredible contributions of Chris Kavalec. And
3 (indiscernible) extend our gratitude for over three decades
4 of service at the Energy Commission. Chris has been the
5 Chief Forecaster for over 10 years leading the Commission's
6 demand forecast work. He has also been one of our most
7 prominent thought leaders in this field guiding nearly all
8 aspects of DAOs (phonetic) during this time.

9 I'm kind of feeling a little bit more emotional
10 that I thought. So Chris does not know this is happening,
11 because he has resisted any type of celebration over the
12 last month, so because I don't often listen to him I
13 thought this is the best way to send him off. And I thank
14 you to the Chair for supporting this. It was easy for him
15 to be here, though. All we had to say was the Demand
16 Forecast is in trouble and the Chair and Commissioner
17 McAllister might have some questions. And he showed up
18 perfectly on time. (Laughter.)

19 So with that, welcome Chris.

20 So the Demand Forecast is one of the core
21 functions of the Energy Commission. Having been intimately
22 involved with it for almost three years now, I completely
23 recognize how time-taking the whole process is and how
24 nuanced it is. Oftentimes people say forecasting is a
25 little bit more than science. It's kind of on the art

1 side, so thanks to Chris for bringing his professional
2 technical expertise as well as his artistic side.

3 He worked nights and weekends. We were very
4 short staffed for the last few years routinely working
5 through weekends, nights and meeting critical deadlines.
6 Anytime some component of this complex time-sensitive
7 process wasn't going accordingly to plan Chris would step
8 up and show how to get out of it.

9 Among a few professional contributions along the
10 way, Chris was the founding member of the Demand Analysis
11 Working Group. Through this group he worked to maintain
12 and build confidence in our forecasting process among
13 sister agencies, (indiscernible), entities such as the
14 CAISO.

15 Chris developed a robust methodology to calculate
16 the savings from our California Standards, which was about
17 \$100 billion. Thank you, Chris.

18 Chris has also been instrumental in adapting the
19 Demand Forecast to address the peak shift issues resulting
20 from large scale penetration of rooftop solar as well as
21 creating the hourly forecast model. And that evaluates and
22 studies the state policies in terms of incorporating them,
23 energy efficiency, electric vehicles, rooftop PV and
24 customer storage.

25 In addition to his professional achievements and

1 contributions to our work, Chris is universally respected
2 by his colleagues. His intelligence, thoughtfulness and
3 reasonableness, sense of humor and easy-going nature. He
4 has been a mentor to a number of people in the audience
5 today. And I know a lot of them are really, really happy
6 and sad.

7 When things get a little hot Chris has way to get
8 out of them. And one of the things I learned from him is
9 to say when things get a little tight just say, "I will
10 attempt to summarize what you're trying to say."

11 (Laughter.) So it gives you enough time and also kind of
12 wiggle room to be as collected --

13 CHAIR HOCHSCHILD: I could use that in my
14 marriage, actually. That's very interesting. (Laughter.)

15 MR. GUNDA: Yeah, so you stole my line. I've
16 been using that personally a lot if my family, so thank you
17 Chris, for helping me personally too.

18 Chris has contributed 36 years of professionalism
19 and forecasting expertise at the Energy Commission. And
20 today we celebrate him as he embarks on his new chapter.
21 Chris, thank you for your service and best of luck with
22 everything. We will miss you. Please stand up, Chris.
23 Congratulations. (Applause.)

24 CHAIR HOCHSCHILD: Thank you, Siva.

25 And congratulations Chris, and thanks for the

1 marriage advice as well. (Applause.)

2 Let's move on to the Consent Calendar. Is there
3 any member of the public wishing to make a comment on the
4 Consent Calendar, any others on the Consent Calendar?

5 Hearing none, is there a motion to approve the
6 Consent Calendar?

7 COMMISSIONER DOUGLAS: Move approval.

8 CHAIR HOCHSCHILD: Yeah. Is there a second?

9 VICE CHAIR SCOTT: Second.

10 CHAIR HOCHSCHILD: All in favor say aye.

11 (Ayes.)

12 CHAIR HOCHSCHILD: That motion passes
13 unanimately.

14 Let's move on to Item 2 discussion of Energy
15 Commission progress on the Joint Agency Report, Charting a
16 Path to 100 Percent Clean Energy Future SB 100 Siva.

17 MR. GUNDA: Good morning again, Commissioners.
18 I'm going to cover for Terra today and just providing a
19 brief update on the SB 100 work that's been going on.

20 So this last month we had our scoping workshop in
21 the Central Valley, in Fresno. We had about in-person and
22 about 200 online total. So we had Chair Hochschild,
23 Commissioner Randolph and Richard Corey from CARB in
24 attendance. And staff from three agencies presented
25 including Kerry Bilen (phonetic) from CARB, Simon Baker

1 from CPUC and myself from CEC.

2 We also had a stakeholder panel that included
3 Mayor of Huron Rey Leon. We also had Brad Koehn from TID,
4 the Turlock Irrigation District, and lastly Leslie Martinez
5 from Leadership Counsel for Justice and Accountability.

6 Public comment that we received was from about 19
7 stakeholders including Assembly Member Arambula. Some of
8 the key things that we've heard is to include existing
9 large hydro in zero carbon resources as we plan for
10 defining what zero carbon resources is in SB 100. And
11 there's also a lot of discussion on including eight
12 pollution impacts (indiscernible) the report. There was
13 emphasis on affordability both from industry, as well as
14 environmental justice perspectives. And there was a lot of
15 community engagement discussion requesting the three
16 agencies to potentially have more interactions with
17 communities in the Central Valley, maybe even finding time
18 in the evenings when we can just meet more informally.

19 I also want to note a couple of workshops that
20 are upcoming. We have the second scoping workshop in
21 NorCal in Redding on the 25th. And on the 29th we have
22 third and final workshop in Diamond Bar, Southern
23 California. Both of those workshops will include
24 perspectives on reliability as well as equity and continue
25 discussions on them. And we are really trying to -- the

1 state agencies are trying to gather as much information as
2 possible before we go into our November 18th workshop, the
3 first of the technical workshops to begin talking about the
4 modeling activities.

5 Staff have been able to develop a draft of the
6 preliminary report and the three agencies are working
7 together to finalize the draft. And we hope to at least
8 daylight that at the November 18th meeting, the few
9 components of that.

10 With that, if you have any questions I'm happy to
11 take.

12 CHAIR HOCHSCHILD: Any questions or comments from
13 the Commissioners? Okay, any public comments?

14 (No audible response.)

15 MR. GUNDA: Thank you.

16 CHAIR HOCHSCHILD: All right. Hearing none,
17 let's move on. Thank you, Siva.

18 Let's move on to Item 3, Empower Innovation
19 Launch.

20 MR. CROFT: Thank you Chair, Vice-Chair, and
21 Commissioners. The California Energy Commission has
22 recently launched an online platform that connects people
23 across the Cleantech Ecosystem to each other. I'd like to
24 take this time to introduce the public to the website. I'm
25 going to show a quick video that tells you more about it.

18

1 Then I'll give a demonstration of the platform. And lastly
2 I'll play a short video by our own Vice Chair Scott.

3 [Video playback begins]

4 NARRATOR: "Innovation and clean technology or
5 Cleantech is on the rise. Many dedicated innovators are
6 working on solutions to our serious environmental problems
7 with new products, processes and services that save energy
8 and water and reduce waste and pollution. But there are
9 still many barriers to launching a successful clean tech
10 company and bringing innovative solutions to where they are
11 needed the most.

12 "Entrepreneurs need help setting up their
13 businesses and finding funding to reach commercial success.
14 And people who will benefit from clean tech solutions, like
15 communities suffering from air quality issues need help
16 identifying the right solutions and partnerships that work
17 for them.

18 "Empower Innovation is an online platform that
19 breaks down these barriers by connecting innovators from
20 across the cleantech ecosystem to each other and to
21 resources that will accelerate their journey.

22 "Whether you are busy creating the next
23 breakthrough in cleantech or looking for solutions to your
24 organization's pressing needs, Empower Innovation helps you
25 save time by sharing curated funding opportunities,

1 profiles of interesting organizations and companies, and
2 upcoming events. Empower Innovation helps you show your
3 interest and connect with future partners on specific
4 private and public grants, pitch prizes and other funding
5 opportunities collected from dozens of sources in one
6 convenient place.

7 "Finally, Empower Innovation makes it easy to
8 share information with colleagues and friends using direct
9 messaging and shared lists of resources and referrals.
10 Whatever your cleantech journey find your way on Empower
11 Innovation.

12 [Video playback ends]

13 MR. CROFT: And now I'll give a quick tour of the
14 website. Empower Innovation is a place where people connect
15 to form project teams and get grant funding. For example,
16 a potential applicant is looking to pull together a project
17 team and needs to find a community that would benefit from
18 the project, technologists and entrepreneurs with advanced
19 energy technology and match funding partners and investors.

20 Empower Innovation has both Energy Commission and
21 non-Energy Commission funding opportunities for people to
22 network on.

23 As an example, here's a placeholder funding
24 opportunity called EPIC Test. You can see that the Funding
25 Opportunity Page includes information about the funding

1 opportunity, deadlines, and other information. While here,
2 a user can indicate interest and can further indicate what
3 they can offer and what they are looking for.

4 So for this example, I'll put in my name. But
5 I'm seeking a partner and I can offer a demonstration host
6 site and financial support.

7 While here, I can also see other users that are
8 interested in networking, see what they have to offer and
9 send them a message. Here I see that Laura Vogel can offer
10 advisory services. So I might send a message that says I
11 see -- I can click into the text box -- "I see you're
12 offering services" -- it's so small I can't even tell.
13 Anyway, you can definitely do that and you can press send.

14 And finally I have a video of Vice Chair Scott.

15 [Video playback begins]

16 "Hello. I'm Janea Scott, the Vice Chair of the
17 California Energy Commission. And I'm here to welcome you
18 to our new online platform, Empower Innovation.

19 "At the Energy Commission, part of our mission is
20 to help connect the innovators who are working to build a
21 100 percent clean energy future. These innovators are as
22 diverse as the people of California and include:
23 entrepreneurs who are conceiving the next breakthrough
24 idea, businesses, and local governments that are
25 demonstrating and then adopting new low-carbon technology

21

1 solutions in response to climate change, universities
2 educating future cleantech leaders and carrying out
3 impactful cutting-edge research, and the communities, and
4 local organizations working to improve the lives of their
5 neighbors.

6 "Empower Innovation provides an online platform
7 to connect innovators to each other and to the resources
8 they need to deliver a low-carbon economy for all. I hope
9 you'll join us and become part of the Empower Innovation
10 network."

11 [Video playback ends]

12 MR. CROFT: Thank you. The Navigant team helped
13 us put together this exciting platform and they are with me
14 here today. We are happy to answer any questions.

15 CHAIR HOCHSCHILD: Vice Chair Scott? VICE CHAIR
16 SCOTT: Sure, I just wanted to say great. This is so
17 exciting to have a platform where we're able to connect all
18 of the folks that you have highlighted. I'm glad that
19 we're getting to launch that today. We're also going to
20 have the opportunity to share it with our Disadvantaged
21 Communities Advisory Group and others. So I hope that
22 folks around the room and anyone who might be listening in
23 on our WebEx will help us get the word out about this
24 exciting new tool. And I wanted to say thank you to you,
25 Josh and the team, for putting all this together.

1 CHAIR HOCHSCHILD: Awesome, so this is sort of
2 like a match.com for entrepreneurs. (Laughter.) Will you
3 be able to just report back periodically on the progress in
4 terms of the users?

5 MR. CROFT: Absolutely.

6 CHAIR HOCHSCHILD: That'd be great to be able to
7 get some metrics over time. Yeah. Yeah, any other
8 comments on this? Well, thank you. Congratulations.

9 MR. CROFT: Thank you. (Applause.)

10 CHAIR HOCHSCHILD: So let's move on to Item 4,
11 Geysers Facilities Fire System Recommissioning.

12 MR. VEERKAMP: Good morning Chair Hochschild, Vice
13 Chair Scott and Commissioners. My name is Eric Veerkamp. I
14 work in the Compliance Office of the Siting Transmission
15 and Environmental Protection Division as the Project
16 Manager for the Geysers facilities.

17 With me this morning is Deborah Dyer, Senior
18 Staff Counsel, on this item.

19 Today staff is seeking approval of the proposed
20 resolution approving Agreement 700-19-003 with NV5, Inc,
21 for a zero-sum (\$0) contract with the Energy Commission to
22 provide delegate chief building official services for fire
23 system recommissioning activities at six Geysers
24 facilities.

25 Recommissioning involves assessing the adequacy

1 and readiness of the existing fire protection systems and
2 comparing them against an updated fire needs assessment, so
3 that appropriate upgrades and modifications to the can be
4 made. The fire needs assessment considers the plant's
5 aging infrastructure and California's changing fire risks.
6 Since the final fire systems will be a blend of existing,
7 modified and new systems, having a DCBO's review and
8 inspection ensures that the final intermingled systems are
9 designed and built according to the applicable codes.

10 NV5, Incorporated will carry out design review
11 and construction inspections on behalf of the Energy
12 Commission. NV5, Incorporated will be compensated by the
13 project owner of the Geysers facilities, Geysers Power
14 Company, LLC, for the services.

15 The CEC is the Chief Building Official for all
16 power plants under the CEC's jurisdiction and is authorized
17 to designate a Delegate CBO for this purpose, assisting
18 with our responsibilities.

19 To delegate this authority the CEC released a
20 Request for Qualifications to select the most qualified
21 firm to provide DCBO services for the Geysers. Through
22 this process, five firms provided bids and NV5,
23 Incorporated received the highest score through the
24 competitive bid process. Three of the five bids were not
25 scored, because they were disqualified during the

1 administrative portion of the review on a procedural
2 requirement. The CEC has also established hourly rates
3 through a rate negotiation process.

4 If this agreement is approved, NV5 and Geysers
5 Power Company will negotiate a separate contract for
6 payment with the rates that staff had established in our
7 agreement with NV5. The CEC will be named as a third-party
8 beneficiary to that agreement to ensure enforcement rights
9 by the CEC.

10 Staff is requesting approval of the contract,
11 Standard Agreement-ST-213 and the assignment of NV5 to be
12 DCBO for the Geysers. That completes my presentation.
13 I'll be happy to answer any questions you might have.

14 CHAIR HOCHSCHILD: Thank you.

15 Any questions? Commissioner Douglas.

16 COMMISSIONER DOUGLAS: Just a brief comment
17 really. This item, Commissioners, reflects proactive steps
18 taking by Commission staff to ensure that power plants
19 maintain and upgrade as necessary systems that are critical
20 for health and safety. And properly designed and
21 constructed and operated fire protection systems like the
22 ones addressed in this item, are very important to help
23 protect property and lives and improve power plant
24 reliability and resiliency. So I want to thank staff for
25 their good work and I support and I'll move this item.

25

1 CHAIR HOCHSCHILD: Okay. Any public comments on
2 this.

3 Hearing none, is there a second?

4 VICE CHAIR SCOTT: Second.

5 CHAIR HOCHSCHILD: All in favor say aye.

6 (Ayes.)

7 CHAIR HOCHSCHILD: That motion passes
8 unanimously. Thank you.

9 MR. VEERKAMP: Thank you

10 CHAIR HOCHSCHILD: Let's move on to Item 5,
11 Adopting Energy Commission Determination Finding San
12 Francisco Public Utility Commission's Hetch Hetchy Power
13 IRP Consistent With the Requirements of SB 350.

14 MR. DEEVER: Good Morning Chair and
15 Commissioners. My name is Paul Deaver. I am the Program
16 Manager for Publicly Owned Utility Integrated Resource
17 Plans.

18 Today I'm going to present two POU IRPs in both
19 adopting the Executive Director Determination finding each
20 of these IRPs consistent with the requirements of Senate
21 Bill 350.

22 The two POU's are the San Francisco Public
23 Utilities Commission who operates the Hetch Hetchy Power
24 Electric Utility. Hetch Hetchy Power, or Hetch Hetchy, is
25 the electric utility that San Francisco Public Utilities

1 Commission submitted an IRP on their behalf as they operate
2 the utility. The second utility is the Modesto Irrigation
3 District. These are two separate Business Meeting items.

4 First, a status update on POU IRPs to date, all
5 16 POUs have submitted IRPs to the Energy Commission. Four
6 Executive Director determinations have been adopted so far
7 and between and December staff expects to present nine POU
8 IRPs and one in early 2020.

9 First I will provide an overview of POU IRP
10 requirements under Senate Bill 350. You have all seen this
11 before. This is a review. I'm going to go through these
12 quickly. The 16 largest POUs, those with an annual load
13 greater than 700 gigawatt hours must adopt IRP and process
14 for updating that IRP by January 1st, 2019. The POUs must
15 also submit the IRP reporting tables and any supporting
16 information that staff needs to review those IRPs. The
17 POUs must also update their IRPs at least once every five
18 years.

19 During the review of the IRPs, Energy Commission
20 staff relied on internal experts to help them review.
21 Staff also relied on POU IRP staff for clarifications and
22 to answer questions.

23 During the Energy Commission's review process
24 there are two comment periods. The first is a 30-day
25 comment period when the IRP is first submitted. That gives

1 the public a chance to comment on the IRP based on SB 350
2 requirements. There is also a 45-day comment period after
3 staff's review and the Executive Director Determination has
4 been put out that allows the public another opportunity to
5 comment.

6 Some of the requirements for POU IRPs, under
7 Senate Bill 350, POU's must meet the California Air
8 Resources Board established GHG emissions targets by 2030.
9 They must also meet the renewable energy procurement
10 targets, which are procuring at least 50 percent RPS
11 eligible resources by 2030.

12 Senate Bill 100 became a law January 1st, 2019
13 after the POU's had adopted their IRPs, so the review is
14 going to focus on Senate Bill 350 and the 50 percent
15 requirement rather than the 50 percent RPS requirement.

16 Also, POU IRPs must ensure that the POU is able
17 to serve its customers at just and reasonable rates. That
18 they minimize impact on ratepayer bills. That they
19 strengthen the diversity, sustainability and resiliency of
20 their power system. That they enhance distribution systems
21 and demand side energy resources; and also that they
22 minimize air pollutants and other greenhouse gases with an
23 early priority in disadvantaged communities.

24 POU IRPs must also address the procurement of a
25 number of items. These include energy efficiency and

1 demand response, transportation electrification, energy
2 storage, a diversified set of resources. They also must
3 consider existing clean resources, including energy storage
4 and grid operational efficiencies in meeting their energy
5 requirements in the hours of net peak demand.

6 I will provide an overview of Hetch Hetchy Power,
7 the San Francisco Public Utilities Commission, the utility
8 they operate. I'll refer to them as Hetch Hetchy or Hetch
9 Hetchy Power for this presentation.

10 The San Francisco Public Utilities Commission
11 submitted an IRP on Hetch Hetchy Power's behalf. They
12 operate the Hetch Hetchy Power utility. Hetch Hetchy is
13 the 14th largest POU in California. They are a not-for-
14 profit electric, water and wastewater utility in San
15 Francisco County.

16 Most of their customers are large municipal
17 agencies and large businesses. They have a very small
18 amount of residential customers. Roughly 8 percent of
19 their total customer base is residential. The rest are
20 large municipal and businesses.

21 They deliver over -- (interrupted by WebEx
22 announcement.)

23 MR. DEEVER: All right, Hetch Hetchy delivers
24 over 950 gigawatt hours to about 200 residential customers
25 and over 3,000 municipal agencies and businesses. Some of

29

1 their larger customers include the Port of San Francisco,
2 the San Francisco International Airport --

3 CHAIR HOCHSCHILD: Sorry, just a minute. Are we
4 off of WebEx? Is that going to take a minute, Jerome? Why
5 don't we just hold for a minute until we get that fixed,
6 unless that's going to be -- is that like a two-minute
7 thing or?

8 (Off mic colloquy to address WebEx.)

9 MR. DEEVER: Chairman, it's going to take about
10 three minutes.

11 CHAIR HOCHSCHILD: Okay. Yeah, why don't we -- I
12 was going to share a little bit, but I'll just share a
13 little bit about my tour in the Navaho Nation the last few
14 days. And I just wanted -- and Darcie this may be of
15 particular interest to you with your tribal experience,
16 working with tribes -- but basically one of the most, the
17 dirtiest and biggest coal power plants in the United
18 States, NGS, is the 2.2 gigawatt 1970s vintage power plant
19 in the Navaho Nation is closing. They've actually stopped
20 coal deliveries to the facility, as of now. And they're
21 just burning down remaining their remaining coal, but it
22 will close, the last two units, next month.

23 And so the Navaho people have created a new, I
24 think it's called Navaho Sunrise, is what they're talking
25 about is a new commitment to build out renewables to

1 replace that. And it's just one of the most significant
2 energy transitions.

3 And talking to the leaders there about what
4 they're doing is just really exciting. And obviously
5 there's a lot of jobs with that facility for both for the
6 coal power plant itself and for the mine, which is also
7 being shut. This is a big focus on training and trying to
8 build the ecosystem of clean energy technologies.

9 And Commissioner Douglas is, as many know was at
10 the Tribal Energy Summit this, was that June or July, I
11 mean? I think it was in July and as part of our efforts
12 here she's got these \$2.5 million planning grants that
13 we're giving out to tribes. But I actually would like to
14 have the Navaho come and give a presentation here on what
15 they're doing, because that's so significant.

16 And that coal plant has served the California
17 market for many, many decades, so yeah.

18 Any other items people wanted to share while
19 we're waiting? Yeah. We could do other Commissioner
20 updates while we're waiting.

21 (Off mic colloquy.)

22 CHAIR HOCHSCHILD: Why don't we just do
23 Commissioner Updates at this point if this is going to be a
24 few more minutes while we're waiting since we have to get
25 through that?

1 Commissioner Monahan, do you want to?

2 COMMISSIONER DOUGLAS: While she's looking, I
3 quickly pulled up my calendar, so I can jump in here.

4 CHAIR HOCHSCHILD: Yeah. Okay. Go ahead.

5 COMMISSIONER DOUGLAS: I just wanted to give an
6 update about the Offshore Wind Conference that I attended
7 and a number of staff were there and you and I both spoke
8 at. So it was the Pacific Rim Offshore Wind Conference.
9 It was very informative. We had a chance to hear about the
10 state of the industry and the state of the technology with
11 a perspective that included Europe, the East Coast and also
12 the Pacific Rim, obviously. And we followed that up with
13 an IEPR workshop on the topic. And it was exceptionally
14 well attended. We got some very good speakers in part by
15 leveraging the fact that some of these folks were in town
16 anyway.

17 And we heard an earful and a half of
18 recommendations for what the state should be doing in this
19 area. And I think we'll sort through it as comments come
20 in. That's my update.

21 CHAIR HOCHSCHILD: Yeah. That was a terrific
22 event and IEPR workshop. Commissioner, thank you for
23 putting that together. Great participation and the room --
24 we did it at the PUC and the room was full. It just shows
25 the level of interest in offshore wind.

1 How are we looking, guys? Do you need a few
2 minutes?

3 (Off mic colloquy.)

4 CHAIR HOCHSCHILD: Okay. Why don't we hold on a
5 bit longer? They said 30 seconds, so maybe we should just
6 wait. Yeah.

7 (Colloquy to establish WebEx connection.)

8 MR. LEE: All right, it should be good.

9 CHAIR HOCHSCHILD: Okay. Let's continue. Thank
10 you.

11 Okay. Go ahead.

12 MR. DEEVER: All right, so for Hetch Hetchy
13 Power, their annual load they deliver about 900 gigawatt
14 hours to roughly 200 residential customers and about 300
15 large business and municipal agencies. Some of the large
16 customers include the Port of San Francisco, the San
17 Francisco International Airport and the San Francisco
18 Municipal Transportation Agency.

19 (Off mic colloquy.)

20 MR. DEEVER: All right. Good point.

21 VICE CHAIR SCOTT: Maybe you could make not for
22 the folks who are listening in on the WebEx that we paused
23 while we got the WebEx back up and running, so they haven't
24 missed a moment or your presentation.

25 UNIDENTIFIED SPEAKER: We'll get back to the

1 presentation shortly folks, they're just getting the
2 PowerPoint back up.

3 MR. DEEVER: All right, so for Hetch Hetchy
4 Power, they adopted their IRP in November of 2018. They
5 submitted it to the Energy Commission in February of 2019
6 along with their supporting information.

7 The Energy Commission reviewed the IRP finding
8 and found that it met all the requirements of Senate Bill
9 350. The Energy Commission then posted an Executive
10 Director Determination and Staff Review Paper in June of
11 2019 for public comments. These were due in August of
12 2109. Only Hetch Hetchy Power provide comments and these
13 were very minor clarifications in the staff paper. They
14 did not change staff findings or the Executive Director
15 Determination.

16 For their planning strategy, Hetch Hetchy
17 examined three separate scenarios. The first was to
18 maintain current hydroelectric generation from their hydro
19 system. The second was to defer some investments in their
20 hydro system. And the third scenario was to defer all
21 investments under Moccasin Hydroelectric Plant. And along
22 with this third scenario, because they're deferred
23 investments they looked at adding 50 megawatts of renewable
24 energy to account for that.

25 Hetch Hetchy found it most cost effective to

1 optimize investments in their hydro system to have it
2 better match with their retail sales. Hetch Hetchy did not
3 pick a singular preferred portfolio. Instead they are
4 looking at the IRP and they will consider it in their
5 broader organizational needs. And this will include
6 looking at the interaction between water and power
7 operations.

8 Further renewable energy procurement
9 requirements, because Hetch Hetchy meets more of its retail
10 load, or more than 67 percent of its
11 retail load of qualifying hydroelectric power, it must meet
12 100 percent of its retail sales from either a qualifying
13 hydro or from RPS-eligible resources. In most years,
14 hydroelectric serves over 98 percent of retail sales for
15 Hetch Hetchy.

16 Their resource generation remains relatively
17 constant over the planning period, just mostly hydro as I
18 mentioned. A small portion of their load is met by some
19 solar resources and one biomass plant.

20 For their greenhouse gas targets, the Air
21 Resources Board range for Hetch Hetchy is between 12,000
22 and 22,000 metric tons of CO2 by 2030. They are under this
23 goal. They produce zero GHGs through their hydro system
24 and their resources. And they project that they will
25 produce energy from zero emission resources now and through

1 2030 and beyond.

2 For transportation electrification most of Hetch
3 Hetchy's customers are commercial and municipal agencies.
4 Therefore their electrification strategy is going to focus
5 on those customers. By 2035, the San Francisco Municipal
6 Transportation Agency plans to electrify the rest of their
7 bus fleet.

8 Hetch Hetchy also looked at a scenario, a high
9 distributed energy resource scenario that added 1,200 city
10 fleet electric vehicles, which amounts to about 8,000
11 megawatt hours per year of load. This is just under 1
12 percent of the retail sales and they suspect that their
13 existing hydro system and their existing resources can meet
14 this load without procuring new generation.

15 Today, I'm requesting the Energy Commission adopt
16 the Executive Director's Determination Finding that Hetch
17 Hetchy Power's IRP is consistent with the requirements of
18 Senate Bill 350.

19 I am open to answer any questions you have.

20 CHAIR HOCHSCHILD: Thank you. Commissioner
21 McAllister? Yeah, oh sorry, any public comment on that
22 item?

23 Okay. Commissioner McAllister?

24 COMMISSIONER MCALLISTER: Yeah, so thank you,
25 Paul. I wanted to just thank you for this item and the

1 next item just to recognize what work it is to go through
2 all these IRP submittals with Mark and his team and sort of
3 parcel out the work among staff. And I've been keeping up
4 to date on all of these, all 16.

5 And just a couple of comments, actually just
6 about kind of the process here. So you know it's
7 impossible to know exactly what's happening in the future,
8 right? So these are a perspective. You know, they're sort
9 of a submittal about what the plan is, what they think is
10 going to happen. And I think it's really important that we
11 keep on top of what actually happens and in particular on
12 the efficiency, demand response, the transmission RA, all
13 of that stuff. Those are fluid. And you make sure that
14 actually compliance happens as we move forward.

15 But I want to just thank Hetch Hetchy for the
16 complete submittal and all the back and forth. It's a lot
17 of work. And it's a different thing to do a whole bunch of
18 you know medium size and small PUDs or you know public POU's
19 than the large IOUs. And so it's kind of a different
20 beast. And we're making sure that this process is truly
21 statewide and the sum total of all of the IRP work that the
22 PUC is doing plus all these POU's.

23 So it's, I think, really valuable work. It's
24 providing a lot of insight on what's happening in reality
25 and what we think is going to happen. And really giving us

1 a lot of detailed information on how we're going to meet
2 our climate goals. And I think the front lines are the
3 actual utilities and the actual procurement that's
4 happening out there. So I wanted just sort of set a little
5 bit of context for this work and highlight how important it
6 is and appreciate all the work that staff has put into
7 this.

8 Okay. Does anyone have any other comments?

9 CHAIR HOCHSCHILD: Thank you.

10 Any other comments? All right, a motion?

11 COMMISSIONER MCALLISTER: Well, great, with that
12 I'll move Item 5.

13 CHAIR HOCHSCHILD: Is there a second?

14 COMMISSIONER DOUGLAS: Second.

15 CHAIR HOCHSCHILD: Second by Commissioner
16 Douglas. All in favor, say aye?

17 (Ayes.)

18 CHAIR HOCHSCHILD: That motion passes
19 unanimously.

20 Let's move on to Item 6, Adopting Energy
21 Commission Determination Modesto Irrigation District's IRP
22 Consistent with the Requirements of SB 350

23 MR. DEEVER: All right, I'm going to provide a
24 little bit of an overview of the Modesto Irrigation
25 District. I'll refer to then as the Modesto throughout.

1 Modesto is the fifth largest POU in California.
2 They're a publicly owned electric utility. They provide
3 electricity as well as irrigation and drinking water, in
4 the Modesto area. They deliver over 2,600 gigawatt hours
5 to nearly 1,000 residential customers and around 12,000
6 businesses. Their annual peak load is almost 700
7 megawatts.

8 So the current resource mix, it is primarily
9 natural gas, both large and small hydroelectric; solar,
10 wind and biomass; and some market purchases.

11 Modesto recently exited from their San Juan coal
12 plant contract. This was at the end of 2017. Further
13 submittal to the Energy Commission, Modesto adopted their
14 IRP in December of 2018 and submitted it to the Energy
15 Commission in March of 2109. Energy Commission staff
16 reviewed the IRP filing and found that it did meet all the
17 requirements of Senate Bill 350.

18 In June, Energy Commission posted a Staff Review
19 Paper and an Executive Director Determination for comment.
20 These comments were due in August. We received no comments
21 on the Staff Review Paper or the Determination.

22 For Modesto's procurement and planning strategy,
23 they examined three types of resources that they would look
24 at for the future. These include utility-owned generation,
25 RPS resources both in and out of state, along with market

1 purchases. Modesto performed modeling to determine an
2 optimal portfolio that met policy goals.

3 For Modesto's preferred portfolio, it includes
4 primarily additional solar resources and some generic RPS
5 resources. The generic RPS would include wind, solar and
6 biomass. And generic here means there is no specific
7 contract or specific location for the resource. They do
8 also plan for a small decrease in their natural gas usage
9 between 2019 and 2030.

10 For their renewable energy procurement
11 requirements, they do plan to reach a 50 percent RPS by
12 2030. And they do plan on planning for 60 percent RPS in
13 future IRPs.

14 And in 2030 their RPS portfolio consists
15 primarily of Solar, Generic, RPS, and wind resources, with
16 some small amounts of biomass and small hydro.

17 For the Air Resources Board greenhouse gas
18 targets, they are between 317,000 and 559,000 metric tons
19 CO2 by 2030. Modesto projects they get down to 476,000
20 metric tons by 2030.

21 Their GHG reductions primarily come from
22 divesting in the San Juan coal plant contract.

23 For Transportation Electrification by 2030
24 Modesto expects to have about 5,000 electric vehicles on
25 the road in their service territory and roughly 19 gigawatt

1 hours per year of charging load. Modesto is exploring
2 electric vehicle charging station installation standards
3 for both home and the workplace.

4 They currently have no infrastructure development
5 plan, because of the low ownership rates of electric
6 vehicles on their service territory.

7 Today I am requesting the Energy Commission to
8 adopt the Executive Director's determination finding
9 Modesto Irrigation District's IRP consistent with the
10 requirements of Senate Bill 350.

11 I'm happy to answer any questions.

12 CHAIR HOCHSCHILD: Thanks.

13 Any comments from the public?

14 COMMISSIONER MCALLISTER: Yeah. Thanks again,
15 Paul, for that and Modesto for all the submittals and it
16 sounds like there wasn't a ton of back and forth here. But
17 I think the transportation piece of this as well on both,
18 on the efficiency and demand response, certainly the
19 transportation load is critical to monitor going forward.
20 Because we really don't -- we hope it's going to go steeper
21 than they project and it might, so we need to keep on top
22 of that to make sure it's -- we're characterizing that sort
23 of properly going forward. And a lot of potential there
24 for making greenhouse gas emissions happen.

25 CHAIR HOCHSCHILD: Is there a motion?

1 COMMISSIONER MCALLISTER: Yeah, I'll move Item 6.

2 CHAIR HOCHSCHILD: Is there a second?

3 VICE CHAIR SCOTT: Second.

4 CHAIR HOCHSCHILD: Second by Commissioner Scott.

5 All in favor say aye.

6 (Ayes.)

7 CHAIR HOCHSCHILD: The motion passes unanimously.

8 CHAIR HOCHSCHILD: Let's move on to Item 7,

9 CalCERTS.

10 MS. CHAN: Good morning, Chair and Commissioners.

11 My name is Suzie Chan. I am with the Standards Compliance

12 Office in the Efficiency Division. This morning I am

13 seeking Energy Commission approval on Items 7 and 8.

14 So for Item 7, I am seeking approval to certify

15 CalCERTS as a Home Energy Rating System Provider, or HERS

16 provider, for the 2019 Building Energy Efficiency Standards

17 or the Energy Standards and CalCERTS HERS data registry as

18 required by the Energy Standards.

19 We reviewed CalCERTS application including their

20 training and data registry. And all components of their

21 application meets the requirement of the HERS Regulations,

22 the 2019 Energy Standards, and the Reference Appendices.

23 We posted the Executive Director's Recommendation

24 on September 19th for public comment. We have not received

25 any comments and we do not expect to receive any comments.

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1 The approval of CalCERTS as a home energy
2 provider will satisfy the requirement of Title 24, Part 6,
3 where HERS field verification and diagnostic testing is
4 required to be in compliance with the 2019 Energy
5 Standards, which will go into effect January 1st, 2020.

6 Thank you for your consideration and CEC staff
7 and CalCERTS are available to answer any questions. Thank
8 you.

9 CHAIR HOCHSCHILD: Is CalCERTS present? Great,
10 thanks.

11 Are there any public comments or would you like
12 to say anything? Yes, okay. Come on up.

13 MR. BACHAND: Good morning. I'm Charlie Bachand,
14 CEO of CalCERTS. Thank you everyone for your time today.
15 The 2019 Standards represent a pretty substantial
16 milestone, both for the Energy Commission and for the state
17 and probably for the nation.

18 It's been a lot of work behind the scenes to make
19 everything happen correctly, so that we could support those
20 standards. A lot of good hard work by staff in developing
21 the software that's necessary and reviewing our
22 application, which we're grateful for.

23 So in short, I would just like to say that we are
24 looking forward to the opportunity to support our raters
25 and the other industry stakeholders in achieving the Energy

1 Commission's goals for the 2019 Standards. Thank you.

2 CHAIR HOCHSCHILD: Great, and thanks so much.
3 Commissioner McAllister?

4 COMMISSIONER MCALLISTER: Yeah. So just thank
5 you, Charlie, and staff for all the hard work. It's great
6 to have this in place before January 1, because that's when
7 it needs to be ready for prime time and hitting the road.
8 So another piece in place to really have the new standards
9 have the impact that they need to have. So I'll move Item
10 7.

11 CHAIR HOCHSCHILD: Is there a second?

12 COMMISSIONER MONAHAN: I second.

13 CHAIR HOCHSCHILD: Second, by Commissioner
14 Monahan. All in favor say aye.

15 (Ayes.)

16 CHAIR HOCHSCHILD: That motion passes
17 unanimously. Let's move on to Item 8, the ConSol Home
18 Energy Efficiency Rating Services, CHEERS. Good acronym.

19 MS. CHAN: So good morning, so this is for Item
20 8. I'm requesting Energy Commission approval to certify
21 ConSol Home Energy Efficiency Rating Services, or CHEERS,
22 as a home HERS provider for the 2019 Building Energy
23 Standards and CHEERS residential data registry as required
24 by the Energy Standards.

25 So staff reviewed CalCERT's CHEERS application

1 including the training and residential data registry. All
2 parts of the application satisfy the requirements specified
3 in the HERS Regulation, the 2019 Standards and the
4 Reference Appendices.

5 The Executive Director Recommendation was posted
6 for public comments on September 19th. We have not
7 received any comments and we do not anticipate to receive
8 any. The approval of CHEERS as a home energy rating system
9 provider will satisfy the requirement with Title 24, Part 6
10 for HERS verification and diagnostic testing, which are
11 required for compliance with the 2019 Energy Standards,
12 which will go into effect January 1st, 2020.

13 So thank you for your consideration. And CHEERS
14 and staff are available to answer your questions. Thank
15 you.

16 CHAIR HOCHSCHILD: Okay.

17 Any public comments on this? Yeah, go ahead,
18 sir. Come on up.

19 MR. HODGSON: Good morning, everyone. My name is
20 Jim Hodgson. I'm the Executive Director of CHEERS. And I
21 wanted to take the time to thank Commission staff
22 appropriately, particularly Christine Collopy as well as
23 Lorraine White and her team for spending a lot of time with
24 us going through this revision process. They maintained an
25 incredibly productive back and forth during the entire

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1 review. And we're very thankful for their efficiency with
2 everyone's time.

3 CHEERS looks forward to working together on 2019
4 implementation, furthering increasing standards compliance
5 and further promoting the critical role that the HERS
6 industry plays in the California building industry.

7 So again, thank you. And that's it for CHEERS.

8 CHAIR HOCHSCHILD: Great, thank you.

9 Commissioner McAllister?

10 COMMISSIONER MCALLISTER: Great. Yeah, so we not
11 only have one provider we have two so competition is good.
12 So I think the Rater community will be well served and
13 really will be in great shape for January 1. I just want
14 to just thank the Lorraine and team and both providers, in
15 this case CHEERS. So I'll move Item 8.

16 CHAIR HOCHSCHILD: Is there a second?

17 COMMISSIONER DOUGLAS: Second.

18 CHAIR HOCHSCHILD: Second by Commissioner
19 Douglas. All in favor say aye.

20 (Ayes.)

21 CHAIR HOCHSCHILD: That motion passes
22 unanimously.

23 Let's move on to Item 9, Trinity Public Utility
24 District.

25 MR. MOUA: Thank you and good morning, Chair and

1 Vice Chair and Commissioners. My name is Cheng Moua. I
2 work in the Building Standards Office in the Efficiency
3 Division. With me is my colleague Mazi Shirakh as well as
4 Jacqueline Moore from the Chief Counsel's Office.

5 Today I am bringing forward our first application
6 from a public agency, which is Trinity Public Utility
7 District, who is requesting for an exemption from the new
8 solar photovoltaic requirements of the 2019 Building Energy
9 Efficiency Standards.

10 As we all know, the Energy Commission took a huge
11 leap forward with the adoption of the 2019 Standards, which
12 mandates rooftop solar PV for all newly constructed low-
13 rise rated residential buildings in California. This
14 requirement along with the rest of the 2019 Standards go
15 into effect January 1, 2020.

16 This adoption would not have been possible
17 without also including language to allow the Commission to
18 make a determination that the solar PV requirement not
19 apply to particular buildings. This solar PV determination
20 process is detailed in Part 1, Section 10-109(k).

21 Section 10-109(k) states that the Energy
22 Commission upon written application or its own motion, may
23 determine that the solar PV requirements not apply based on
24 a finding that the implementation of public agency rules
25 regarding the utility system costs and revenue

1 requirements, the compensation for customer-owned
2 generations, or the interconnection fees, causes the Energy
3 Commission's cost-effectiveness conclusions for the PV
4 mandate to not hold.

5 This ensures that the solar PV requirements
6 adopted into the Standards apply where they are cost-
7 effective, consistent with the Public Resources Code.

8 The Trinity Public Utility District serves most
9 of Trinity County covering around 2,100 square miles of
10 mountain terrain, servicing approximately 7,200 customers.
11 It distributes and sells 100 percent hydropower and is able
12 to provide its customers with energy rates ranging from 5.5
13 cents to 7.8 cents per kilowatt-hour.

14 Trinity Public Utility District acknowledges the
15 Commission's ambitious goals, however it proposes that its
16 low cost energy rates simply make rooftop solar PV not
17 cost-effective in its service area.

18 Trinity Public Utility District conducted a
19 public hearing and approved the decision to seek a
20 determination from the Commission, submitting an
21 application under 10-109(k).

22 Staff has reviewed the application and found that
23 it meets the requirements for a determination by the
24 Commission and made the application available to the public
25 for a 60-day comment period. Two comments were received

1 and were taken into consideration during the process.

2 Staff performed life cycle cost-effectiveness
3 analysis, applying the Trinity energy rates, and concluded
4 that solar PV would indeed not be cost-effective. Staff
5 found that using the Trinity energy rates resulted in the
6 compensation for customer-owned generation to fall short of
7 being cost-effective and therefore meeting the criteria of
8 Section 10-109(k).

9 For this reason, staff recommends the Commission
10 to approve the resolution determining that the solar PV
11 requirements for newly constructed low-rise residential
12 buildings shall not apply to the Trinity Public Utility
13 District service area.

14 We are here to answer any questions, as well as
15 Paul Hauser from Trinity is in the audience. Thank you.

16 CHAIR HOCHSCHILD: Thank you.

17 Any public comments on this item or does Trinity
18 itself want to make a comment? Yeah. Go ahead sir.

19 MR. HAUSER: Commissioners, thank you for the
20 opportunity to speak. Staff presented the issue well. The
21 7,200 customers we serve represent a population of about
22 13,000. And I know it doesn't have direct bearing on the
23 application, but I think we are unfortunately the poorest
24 county in the state. And like most poor areas of the
25 state, affordable housing is in short supply there. This

1 exemption would help in that regard, in terms of being able
2 to provide more affordable housing at a lower cost. And
3 I'd be happy to answer any questions you might have.

4 CHAIR HOCHSCHILD: Thank you.

5 Any other public comments? Okay. Commissioner
6 McAllister.

7 COMMISSIONER MCALLISTER: Yeah. So thanks for
8 the presentation. I really appreciate it. And I know that
9 I've paid attention to this issue.

10 I guess I want to just make sure that -- so this
11 is the first one we're doing. And I want to make sure the
12 process has been robust and something that has been fully
13 transparent. So now I totally appreciate Trinity's
14 process, locally. I want to just make sure that the public
15 in our processes had access to all the information they
16 would need, stakeholders and industry. And just to make
17 sure that the numbers underpinning our analysis have been
18 fully vetted. So maybe staff could speak to that issue,
19 sort of what have we posted and how rigorous has our
20 process been.

21 MR. SHIRAKH: Good morning, Commissioners. I'm
22 Mazi Shirakh from the Billing Standards Office. We did
23 conduct a robust life cycle cost effectiveness analysis for
24 Trinity's proposal. We used our traditional life cycle
25 costing analysis analogous to E3s. And we also did a more

1 intuitive what if the cost of the PV ended up in a mortgage
2 and compared that against the savings.

3 And in this case, it was very clear that this was
4 not cost effective. We do have a longer line (phonetic)
5 analysis in the summary. We will docket that today. The
6 analysis will be there. But in this case it turns out that
7 for instance on a cash flow analysis, if someone put this
8 in the mortgage there would be a negative \$25 cash flow
9 from day one.

10 If you use the break-even analysis for that
11 community, based on the meteorological condition of Climate
12 Zone 1 it tends to be one of the least favorable climate
13 zones for solar, because of the coastal fog and so forth.
14 So the cost effectiveness per kilowatt hours was about 10.4
15 cents (phonetic) per kilowatt hour. And the Trinity's NEM
16 rates are in the region of 5 and a half to almost 8 cents.
17 So either way we looked at it, it was far from being cost
18 effective.

19 And we'll post this. We'll docket it all.

20 COMMISSIONER MCALLISTER: Okay. I guess, so I
21 have no doubt personally that that's the case. That for
22 Trinity that's actually a clear analysis.

23 I guess really my -- I'm thinking more long term
24 sort of what happens when we get an application that is
25 right at the cusp, you know? And what's our process that

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1 we're going put in to make sure that that really can get
2 debated and hashed out fully out in the open, in places
3 where they're aren't fortunate enough to have really low
4 rates like Trinity. And then also I'm thinking about who
5 might have the ability to file for a reconsideration if
6 things change. Who does the assessment of local PV
7 conditions to establish the cost, the all-in life cycle
8 cost of PVs for example, in that particular place?

9 So I think we need to be a little more
10 intentional about the process here, recognizing that
11 Trinity has done great work locally, is very accountable
12 locally, has the community's best interest in mind. And I
13 certainly don't want to defer this for a long time, but I
14 do want to make sure that we've established a process
15 that's replicable in cases that aren't so clear cut.

16 So I'm going to take a step and ask that we defer
17 this until next month. And that we post all that stuff,
18 post all the information, sort of ask stakeholders again to
19 have look at it and talk about really more process. I
20 don't think anybody is going to have an issue with the
21 outcome here of making a determination in Trinity's case.

22

23 But I just want to make sure that we're setting a
24 precedent that's robust going forward, because I mean this
25 is a big deal, a big state. Lots of different entities

1 could be coming forward with proposals for exemptions and
2 we to think a little bit about standing. You know, who
3 sort of what we expect to have -- who do we expect? Is it
4 the building departments? Is it the utility themselves or
5 the community? Who might we expect to form part of that
6 process? Do we want to formalize that? Do we want to kind
7 of play it by ear?

8 So I'm going to propose that we defer this item
9 to next month and then have a little bit of a process in
10 place to establish a little bit more robust conversation.

11 CHAIR HOCHSCHILD: Go ahead, Commissioner
12 Monahan.

13 COMMISSIONER MONAHAN: I think that does make a
14 lot of sense to be as transparent as we possibly can be
15 about why we're picking a specific discount rate, why we're
16 looking at a 30-year versus a 20-year timeframe and to give
17 an opportunity for the public to be able to comment on
18 that.

19 So I do like this idea of publishing why we're
20 choosing these different variables in this analysis and to
21 give some kind of public feedback opportunity.

22 CHAIR HOCHSCHILD: Any other comments? Okay.
23 Then let's hold Item 9 until the next meeting and move on
24 to Item 10. Unless you had other (indiscernible)?

25 COMMISSIONER MCALLISTER: No, no, I just want to

1 thank the team, and thank Trinity for all their work. And
2 I know it came for a determination today, but thanks for
3 all the effort that went into this. I appreciate it.

4 CHAIR HOCHSCHILD: Okay, thanks.

5 Let's move on to Item 10, City of Port Hueneme.

6 MR. SITU: Good morning, Chair and Commissioners.
7 My name is Gavin Situ. I'm with the Local Assistance &
8 Financing Office of the Efficiency Division. Today, I am
9 here to request approval for approximately \$840,000 through
10 the Energy Conservation Assistance ACT loan at 1 percent,
11 also known as ECAA, to the City of Port Hueneme.

12 The City of Port Hueneme will use this loan to
13 implement the following energy efficiency measures and
14 sustainable power generation measures. Interior lighting
15 improvement measures at the city hall and police
16 department, public works department and water treatment
17 plant, exterior lighting improvement measures at the city
18 hall and police department, public works department, water
19 treatment plant and various city parks, street lighting
20 improvement throughout the city. And lastly three solar
21 photovoltaic systems at the city's city hall, police
22 department, public works department and community center

23 Upon completion the project will reduce about
24 376,000 kilowatt hours of grid electricity consumption
25 annually and is estimated to save about 55,000 in utility

1 costs annually.

2 Based on the loan amount and utility cost saving,
3 the simple payback is approximately 15.4 years.

4 This loan meets all statutory and regulatory
5 requirements of the ECCA Loan Program and is categorically
6 exempt from the CEQA guidelines. We recommend your
7 approval of the loan and I am happy to answer questions you
8 may have. Thank You

9 CHAIR HOCHSCHILD: Thanks. The term of the loan
10 is 1 percent, but it's a 20-year loan?

11 MR. SITU: Yes. It's a 20-year loan.

12 CHAIR HOCHSCHILD: Yeah. Yeah. Again, I mean
13 ECCA has been one of our most successful, most impressive
14 programs to me, and this is yet another example.

15 Commissioner McAllister, do you have anything
16 else you'd like to add on this?

17 COMMISSIONER MCALLISTER: No, just obviously I'm
18 a big fan of the program. I know Commissioner Scott has
19 been working on ports.

20 VICE CHAIR SCOTT: I was just checking. I was
21 like is this the port or is it a city of the port?

22 COMMISSIONER MCALLISTER: It's the city of the
23 port, yeah, exactly. Yeah, good. So yeah, so I'll move
24 Item 10.

25 CHAIR HOCHSCHILD: Is there a second?

1 VICE CHAIR SCOTT: Second.

2 CHAIR HOCHSCHILD: Second by Vice Chair Scott.

3 All in favor say aye.

4 (Ayes.)

5 CHAIR HOCHSCHILD: That motion passes
6 unanimately.

7 Let's move on to Item 11, Food Production
8 Investment Program.

9 MR. GHANDI: Good morning Chair, Vice Chair and
10 Commissioners. My name is Cyrus Ghandi. I'm with the
11 Energy Research and Development Division. Today staff is
12 seeking approval for two projects that resulted from the
13 last Food Production Investment Program's Competitive Grant
14 Solicitation, GFO-18-903. Five projects from the same
15 solicitation were presented at the June 2019 Business
16 Meeting.

17 The purpose of the Food Production Investment
18 Program is to fund emerging and drop-in energy technologies
19 at food processing plants in California, which reduces
20 energy use and greenhouse gas emissions. This program is
21 funded through California Climate Investments, a statewide
22 initiative that uses Cap-and-Trade dollars to help reduce
23 greenhouse gas emissions, strengthen the economy and
24 improve public health and the environment, particularly in
25 low-income and disadvantaged communities.

1 The first project is with Blue Diamond Growers'
2 in their almond processing facility in Sacramento. This
3 project will replace aging inefficient boilers at the food-
4 processing site with highly efficient low-NOx boilers and a
5 heat recovery system. This project is expected to
6 significantly reduce the greenhouse gas emissions by
7 reducing the natural gas use onsite. In addition, staff
8 has determined that this action is exempt from CEQA.

9 The second project is with Saputo Cheese USA
10 Incorporated, a cheese production facility in Tulare, to
11 install a solar thermal energy system. This project will
12 be installed on a three-acre land, making it the largest
13 industrial scale concentrated solar thermal system of its
14 kind. Once operational, the solar from the system will
15 offset the natural gas produce heat, therefore reducing
16 onsite greenhouse gas emissions.

17 The technology, Hylux, was originally developed
18 by the Energy Commission funding from Pier Electric, EPIC,
19 and cost share from the Department of Energy. Both of
20 these projects are expected to provide benefits to priority
21 populations by reducing onsite criteria pollutants and
22 creating jobs.

23 The solar thermal energy project was evaluated by
24 the lead agency, the City of Tulare Planning Commission,
25 which conducted an initial study resulting in a Mitigated

1 Negative Declaration. Staff has determined that this
2 project causes no significant or substantially more severe
3 environmental impacts beyond those already considered and
4 mitigated by the lead agency.

5 Today, staff is seeking adoption of the CEQA
6 findings, as well as approval of the two projects. And I
7 am available to answer any questions you may have.

8 In addition, John King from Hyperlight is here to
9 say a few words about this solar thermal project.

10 CHAIR HOCHSCHILD: Sorry, do you want to invite
11 someone to -- yeah. Come on up sir, yeah.

12 MR. KING: Thank you Chair, Vice Chair and
13 Commissioners. Hyperlight Energy, this for 11b.
14 Hyperlight Energy has been at this for 12 years. What
15 we've seen evolve in cleantech over that time is a three-
16 stage development path. Stage one, government funded R&D;
17 stage two, subsidized commercialization; and the goal being
18 stage three, unsubsidized commercial competitiveness with
19 incumbents.

20 This has worked in solar photo voltaic with the
21 CSI Program. In this Food Production Investment Program, an
22 award would represent a milestone for us as we transition
23 from that first stage of R&D into subsidized
24 commercialization.

25 With that said, I want to express my own, my

1 company's, my stakeholders' deep gratitude to the CEC for
2 your long-standing support and hopefully continuing
3 support. Getting this technology ready for the market
4 would not have been possible without you, not at all.

5 Transitioning into that stage three, unsubsidized
6 commercialization, that won't be possible without you
7 either.

8 I thank you. My company thanks you. The
9 ratepayers of California, thank you. I think the planet
10 thanks you for all the work you're doing here representing
11 by all the projects. I need to also thank Southern
12 California Gas Company and the US Department of Energy, who
13 have also provided critical support along the way.

14 Following CEC's leadership, you acted first and
15 they followed behind you.

16 And last, but not least, of course Saputo Cheese,
17 USA deserves thanks and recognition here. They make
18 cheese. That's their business. And so for them to take a
19 stand like this and be the first commercial customer is a
20 very big deal. I can't tell you, I mean I saw the
21 presentation for that innovation network early. You know,
22 getting somewhere, you're doing Match.com for cleantech
23 entrepreneurs to where you have a number three food
24 producer in North America is really hard and a big deal.
25 And you have helped us get there. So with all that said,

1 thank you and I can answer any questions if you have any.

2 CHAIR HOCHSCHILD: Great. Thanks. Vice Chair
3 Scott?

4 VICE CHAIR SCOTT: Yeah. Well this is very
5 exciting. As you guys remember, we did a few of these as
6 Cyrus mentioned as a presentation a couple of months ago.
7 This is another step.

8 I just wanted to say thank you to our team for
9 doing such a great job in this space. I think most of the
10 time, as Mr. King has pointed out as well, food processors
11 don't think about Energy Commission and getting grants at
12 the Energy Commission. And then also so you know the kind
13 of outreach that we had to do to make sure folks knew that
14 this program is available and how to apply and all of that.

15 And also to set the timing in a way that it
16 doesn't impact the key food processing timelines, right?
17 So there's times of the year when they're really quite busy
18 and it wouldn't be a great time to have to put in an
19 application or to be expected to put in a brand new
20 technology. So the flexibility that I think the team has
21 shown in putting this together is really exciting.

22 And I did want to highlight also -- Mr. King you
23 took all my talking points.

24 MR. KING: Sorry.

25 VICE CHAIR SCOTT: I'm glad to have you here

1 though. Thank you for being here. This is pretty neat. I
2 mean the technology is something that's Pier Electricity
3 helped to fund. And as you've noted now it's kind of on
4 its way to the next step being demonstrated as the largest
5 solar thermal in a production facility, so I think that's
6 very exciting as well. And I'm looking forward to going to
7 visit it and also the Blue Diamond as well once they're up
8 and running.

9 So if there are no other comments, I will --

10 (Off mic cross-talk.)

11 MR. WARD: Vice Chair Scott?

12 VICE CHAIR SCOTT: Yes?

13 MR. WARD: I just wanted to make sure that we got
14 a call for public comments before we transitioned.

15 CHAIR HOCHSCHILD: We did have one, but that was
16 John King. I don't have any other cards for Item 11. Are
17 there anyone else in the room or on the phone? Thank you.
18 With that, go ahead.

19 VICE CHAIR SCOTT: Thanks I will happily move
20 approve of Item 11.

21 CHAIR HOCHSCHILD: Is there a second?

22 COMMISSIONER MCALLISTER: Second.

23 CHAIR HOCHSCHILD: Second by Commissioner
24 McAllister. All in favor say aye.

25 (Ayes.)

1 CHAIR HOCHSCHILD: And let me just say I've been
2 working with the Secretary Of Agriculture Karen Ross, who's
3 really excited about this program. I think all together,
4 correct me if I'm wrong, I think it's over \$100 million we
5 have in the food production. It's something in that order.
6 It's yes, it's substantial and so it's a big new part of
7 our portfolio and really great to see this.

8 So let's move on to Item 12, Five Points
9 Pipeline, LLC.

10 MR. NGUYEN: Hi. Good Morning Chair, Vice Chair,
11 and Commissioners. My name is Hieu Nguyen with the Fuels
12 and Transportation Division. Today staff is seeking
13 approval of one project, Five Points Pipeline, LLC. The
14 project, developed by Maas Energy Works Incorporated, is
15 proposed for funding under the Community-Scale and
16 Commercial-Scale Biofuels Production Solicitation released
17 by the Clean Transportation Program. This solicitation
18 provided over \$19 million in funding for projects that
19 increase the in-state production of low-carbon biofuels at
20 new or existing production facilities.

21 The agreement with Five Points Pipeline is for
22 about 3.5 million to design, build, and commission a new
23 biogas to a renewable natural gas conditioning facility in
24 Fresno County, California. The project will collect biogas
25 captured from a cluster of five local dairy digesters and

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1 transport the gas via a private, low-pressure pipeline to
2 an upgrading facility.

3 The new facility will condition the biogas into
4 2.5 million diesel gallon equivalents of renewable natural
5 gas with a carbon intensity of negative 174 grams of CO2
6 equivalent per Megajoule. The finished fuel will be
7 purchased and dispensed at a near-by Clean Energy Fuels's
8 CNG fueling station.

9 The project supports the state's short-lived
10 climate pollution strategy and methane reduction goals
11 under SB 1383. Dairy-related methane is responsible for
12 more than half of the instate methane emissions. This
13 project is estimated to reduce greenhouse gas emissions by
14 94,000 metric tons of CO2 equivalent per year.

15 Five Points' renewable natural gas conditioning
16 facility was evaluated by the lead agency, the Fresno
17 County Department of Public Works and Planning, which
18 adopted an Initial Study, Mitigated Negative Declaration
19 and Mitigation Monitoring and Reporting Program on
20 September 9th, 2019 by Resolution No. 12791.

21 The Commission staff determined that this project
22 causes no new significant or substantially more severe
23 environmental impacts beyond those already considered and
24 mitigated by the lead agency.

25 For this agreement, staff is seeking your

1 adoption of the CEQA findings and approval of the grant
2 award in Item 12. Thank you for your consideration. Daryl
3 Maas and Doug Bryant from Maas Energy Works are here to
4 answer any questions you may have.

5 CHAIR HOCHSCHILD: Thank you.

6 Any public comments on this item?

7 Hearing none, Commissioner Monahan.

8 COMMISSIONER MONAHAN: Well thanks, Hieu. And
9 thanks to the FT team and to Vice Chair Scott for
10 addressing, tackling this major source of methane
11 emissions. As Hieu said, it's dairy accounts for half of
12 all the methane emissions in the state, which is a large
13 contribution. And 5 percent of the state's total
14 greenhouse gas emissions, so it's just a major sector to
15 tackle. California, I think, has more dairy cows than any
16 state in the country, so with a lot of waste from those
17 operations.

18 So I think this is a really smart way to address
19 this emission source and to be able to create these kind of
20 closed-loop cycles where we capture the methane and we use
21 it locally. It's a win-win for the community and for our
22 goals around climate.

23 CHAIR HOCHSCHILD: Great. Would you like to make
24 a motion?

25 COMMISSIONER MONAHAN: I move to approve Item 12.

1 CHAIR HOCHSCHILD: Is there a second?

2 VICE CHAIR SCOTT: Second.

3 CHAIR HOCHSCHILD: Second, by Vice Chair Scott.

4 All in favor say aye.

5 (Ayes.)

6 CHAIR HOCHSCHILD: That motion passes
7 unanimously.

8 MR. NGUYEN: Thank you.

9 CHAIR HOCHSCHILD: Let's move on to Item 13, Enel
10 X North America

11 MR. RILLERA: Good morning, Chair and
12 Commissioners. My name is Larry Rillera with the Fuels and
13 Transportation Division here to present Item Number 13.
14 This agreement is funded through the Clean Transportation
15 Program.

16 In December of 2018, the Energy Commission
17 released a nearly \$10 million solicitation for the
18 manufacture of zero-emission vehicles and zero-emission
19 vehicle infrastructure. The intent of the solicitation was
20 to develop and expand ZEV supply chains in California.

21 Enel X North America, Incorporated, is proposed
22 for \$1.9 million in funding. Enel X North America will
23 manufacture next generation electric vehicle supply
24 equipment and software.

25 The agreement with Enel X North America proposes

1 minor alterations to their existing manufacturing facility,
2 and to acquire and install manufacturing equipment and
3 tools. This equipment will be used to manufacture electric
4 vehicle supply equipment and software in the City of San
5 Carlos. The project will leverage approximately \$2 million
6 in private investment and will create jobs in disadvantaged
7 communities while increasing the scale of electric vehicle
8 charger production.

9 Staff is also recommending approval of staff's
10 determination that this project is exempt from CEQA.

11 Staff would note that a representative from Enel
12 X North America is present to provide remarks and answer
13 any questions.

14 Thank you for your consideration of this item.

15 CHAIR HOCHSCHILD: Thank you.

16 Any public comments? Okay. Go ahead, sir.

17 MR. MONBOUQUETTE: Thank you Mr. Rillera. Good
18 morning Chair Hochschild, Vice Chair Scott and fellow
19 Commissioners. My name is Marc Monbouquette and I
20 represent the eMobility arm of Enel X, a subsidiary of the
21 Enel Group, which is focused on emerging clean energy
22 technologies. So I'm here to express our deep gratitude
23 and appreciation for the Energy Commission's Clean
24 Transportation Program and its support for in-state
25 manufacturing for ZEV charging infrastructure.

1 For context, Enel X's eMobility activities in
2 North America build on the foundation laid by E-Motorworks,
3 a Saint Carlos-based startup founded in 2010 that was
4 acquired by the Enel Group in 2017. E-Motorworks grew into
5 a market leader in the residential smart EV charging sector
6 with its Flag 2 Level 2 EV charger known as the JuiceBox.

7 And we also became a leader in the provision of
8 vehicle grid integration services, however as part of E-
9 Motorworks full integration into Enel X this past summer we
10 have been developing a comprehensive line up of EV charging
11 solutions that we aim to announce before the year's end.
12 To more conservatively target the wide variety of non-
13 residential and commercial charging segments and use cases
14 benefiting in part from the state's strong support of EV
15 charging projects through the CALeVIP program.

16 These new products will continue to run on
17 JuiceNet, our cloud-based energy services software platform
18 that is used for asset management and for the flexible
19 control of EV charging. A portion of these new product
20 sales will eventually come equipped for advanced smart
21 charging communications, using ISO 15-11-8.

22 So this investment from the State of California
23 will be used to outfit a new manufacturing facility within
24 an existing building right down the street from our current
25 location in San Carlos. We will be producing this next

1 generation of EV chargers at this facility and the grants
2 are also supporting the creation of good paying local
3 manufacturing jobs.

4 So we are grateful to the Energy Commission
5 staff's engagement over the past six months to help us get
6 our agreement materials in order. And also to accommodate
7 the merger of E-Motorworks into Enel X that occurred after
8 the NOPA was announced in April.

9 So once again, thank you very much for your
10 support. We look forward to our partnership with the
11 Energy Commission. And I'm happy to answer any questions.

12 CHAIR HOCHSCHILD: Great, thank you.
13 Commissioner Monahan.

14 COMMISSIONER MONAHAN: Yeah, I just want to say I
15 think this is a really exciting project. And it's a win-
16 win-win, right? We are helping meet our aggressive goals
17 on climate and EV commercialization. We are helping local
18 industries thrive and creating jobs. And I just want say
19 there's now data to indicate that the EV sector really is
20 flourishing in California.

21 Forbes says that we are the eighth -- EVs are the
22 eighth largest export out of the state. We're exporting
23 more EVs in dollar terms than we are oil, which is an
24 interesting place to be. And it's also the sixth largest
25 creator of jobs in the manufacturing sector.

1 So I think this project is a good demonstration
2 of California's commitment not just to pass these policies,
3 but also to make sure that local industries thrive from
4 them. So I'm very strongly supportive of this. And I move
5 to approve Item 13.

6 CHAIR HOCHSCHILD: Is there a second?

7 COMMISSIONER MCALLISTER: I'll second.

8 CHAIR HOCHSCHILD: Second by Commissioner
9 McAllister. All in favor say aye.

10 (Ayes.)

11 CHAIR HOCHSCHILD: That motion passes
12 unanimously.

13 Let's move on to Item 14, the minutes. Is there?

14 COMMISSIONER MCALLISTER: I'll move the minutes'

15 CHAIR HOCHSCHILD: Thank you. Is there a second?

16 VICE CHAIR SCOTT: Second.

17 CHAIR HOCHSCHILD: Second by Vice Chair Scott.
18 All in favor, say aye.

19 (Ayes.)

20 CHAIR HOCHSCHILD: That passes unanimously.

21 Let's move on to Lead Commissioner Reports. We
22 heard already from Commissioner Douglas. Why don't we go
23 to you, Commissioner Monahan?

24 COMMISSIONER MONAHAN: Yeah so --

25 CHAIR HOCHSCHILD: Your microphone is off.

1 COMMISSIONER MONAHAN: I was talking very loudly,
2 though. (Laughter.)

3 So I just want to elaborate, last month I think I
4 mentioned that we're already moving towards how do we do
5 our next investment plan for the Clean Transportation
6 Program? We're kind of like behind the curve already,
7 because it took us a while to get to the finish line on
8 this last investment plan. And we are taking very
9 seriously these comments by the Disadvantaged Communities
10 Advisory Group and others that we need to think about
11 refreshing in a pretty deep way the Advisory Committee.

12 And I hope next month we'll be coming with a
13 specific plan for how to do that thoughtfully and in a way
14 that really demonstrates our commitment to ensuring that
15 diverse communities benefit from our investments.

16 We're also considering -- again, we need to
17 engage a refreshed Advisory Committee on this, but
18 considering a multiyear funding plan, which I think has
19 never been done for the Clean Transportation Program. But
20 we're considering that as a way to give a little bit more
21 certainty to investors and to potential grantee recipients
22 about well, even if you don't this year next year you will
23 be able to. And we'll tweak the plan annually, definitely,
24 but just to provide a little more certainty that's what
25 we're considering.

1 We're really excited to have Noemi Gallardo, our
2 New Public Advisor, to help us with those aspects. And
3 yeah, I just think that the partnership that we're going
4 have with Noemi to make sure that we're really doing all
5 that we can to engage the public is going to be really
6 important to our success.

7 I've done a bunch of talks this month, a lot of
8 talking I'm tired of myself, but what has been kind of fun
9 is being on a number of panels with all women talking about
10 transportation. And as somebody who's been in the field a
11 long, long time -- I'm very old -- that hasn't been the
12 case most of my career. We've all been commenting on oh,
13 it's not a manhole, it's a "fe-manhole." But that doesn't
14 really have as good of a ring to it.

15 But on a panel with Uber, Uber is actually making
16 some interesting commitments around electric
17 transportation. They have a partnership with EVgo. They
18 have promised to release carbon emissions per capita. It's
19 data that eventually can think about how to incorporate
20 that kind of analysis into our IEPR to account for what are
21 the so-called three revolutions: electrification, economy
22 and mobility as a service.

23 And I was at UC Davis on their Three Revolutions
24 talking about just that with a bunch of nerds, my people.
25 And an electric bus conference where there was a lot of

1 debate, "Is it going to be battery?" "Is it going to be
2 fuel cell?" I mean there was a lot of head-to-head. It
3 was almost too much competition between these two
4 industries that we want to flourish.

5 I'm going to be going to the University of
6 Michigan this week to talk about electric vehicles and it's
7 actually kind of in debate, I don't know if debate is too
8 strong. But definitely it'll be a discussion. Global auto
9 makers will be there and there's going to be a lot of
10 discussion about whether or not the zero emission vehicle
11 mandate is good policy. And I'm very supportive of the
12 zero emission mandate, so I'll definitely be on the side of
13 state's actions to that effect. And the need to make sure
14 that policies aren't enough, we have to have a robust
15 charging infrastructure in particular. And we need other
16 states to step up in a way that California is looking to do
17 that.

18 We're hiring up in the FTD to make sure that we
19 can do a good job on our analysis of what the charging
20 infrastructure needs are. And I want to thank the Chair
21 for doing some outreach to make sure we're getting strong
22 candidates accepting positions here that will help us make
23 sure we have like the intellectual foundations internally
24 to do a really bang-up job on that report.

25 That's it.

1 CHAIR HOCHSCHILD: Great. Yeah, let me thank you
2 for all your work, but just on the recruitment stuff. So
3 just for my colleagues I've told every Deputy that when
4 there is a key position that is open, and they have a star
5 candidate and they need help recruiting that person, I will
6 personally put in the call. We had a case last week of a
7 star who'd been with us as a Summer Fellow, a Stanford
8 master student and he'd gotten an offer from PG&E as well.
9 And I called him, had a great talk, and he took the job.
10 And I think this is the kind of thing when these positions
11 are coming up we can do a lot of good, but we only do as
12 much good as the people in the jobs.

13 And so going out and getting folks -- we cannot
14 compete on salary right, with a lot of what they get in the
15 private sector, but we can compete on other levels. We
16 have a great place to work and we're doing really exciting
17 stuff. And who wouldn't want to work with all of us? So
18 I just want to thank you for all your work and Kevin Barker
19 especially for teeing that one up.

20 Commissioner McAllister?

21 COMMISSIONER MCALLISTER: Great. Yeah, just a
22 few things, I also wanted to also say welcome to Noemi and
23 to Darcie. It's really going to be great working with you
24 both.

25 And just a few comments, I wanted to thank my

1 colleagues for supporting the NASEO Annual Meeting and
2 being there. I know Commissioner Scott couldn't go, but
3 really wanted to, but everybody else was able to make it.
4 And it was just super well received and we really put
5 forward our best face for all the state energy officials
6 who were gathered in Manhattan Beach a few weeks ago.

7 And all the comments -- I mean I think people
8 were just -- they sort of rationally know what's going on
9 in California, but just to see the folks leading some of
10 these efforts in person and being able to ask and hear and
11 participate I think really left an impression that's going
12 to move the needle in states across the country. So it was
13 really great.

14 I also wanted to thank my Assistant, Laura, for
15 pitching in and being down there the whole time and keeping
16 the wheels turning together with the NASEO staff.

17 And just a couple of highlights, Pedro Pizarro
18 from Edison, gave the kickoff talk. That was really great.
19 He's such a great example of sort of just a really true
20 leader who's doing things for all the right reasons. And
21 Mary Nichols gave the first day lunch keynote and sort of
22 gave everybody the heads up that that was the week for the
23 revocation of the emissions waiver. And sure enough a
24 couple of days later it happened.

25 But I think giving people a firsthand taste of

1 look at Mary and just sort of how much gravitas she brings
2 to -- you know like wow, a real regulator. You know, and
3 just somebody who's not afraid to actually pull that lever
4 and be bold. And I think it left a real lasting
5 impression.

6 And also just the fact that all the things that
7 we can do as a state to mitigate the impact of that, to
8 fight back, to control the big flows of subsidies and
9 couple lane (phonetic) access and all that stuff that we
10 can do to really get manufacturers in line with our market
11 power. And I think people appreciated that, saw that in
12 action which left an impression.

13 And then also there was a really interesting talk
14 by the CEO of a company called Indigo that is doing carbon
15 sequestration in agriculture fields across the Midwest for
16 the most part for like 15 bucks a ton or 20 bucks a ton.
17 You know, right around the clearing price. And using
18 (indecipherable) sensing and using a lot sophisticated
19 tools to make sure that it's additional and accountable and
20 all that stuff. If that turns out, if they can scale that
21 and they can really do it and they can create a product,
22 that could be a huge. I won't say game changer, but maybe
23 it could be really big to get that kind of sequestration,
24 that scale and if we can actually use that as part of a
25 market that could be huge.

1 So let's see, and then two weeks ago -- so that
2 was almost a month ago just after the last Business Meeting
3 -- two weeks ago spent the week in Mexico City with a
4 delegation with the Lieutenant Governor. And I have to say
5 she is -- I have not spent a lot of time with here, but
6 Lieutenant Governor Kounalakis is super-impressive, just a
7 true professional. Super engaging and very personable at
8 the personal level, but also just a consummate
9 professional, just really great at bringing people together
10 highlighting all the good positives that we have across
11 Mexico, with Mexico City, with different states in Mexico
12 and just was a great leader of that delegation. So a lot
13 of private sector presence in energy, in transportation, in
14 water and then representation from a bunch of state
15 agencies.

16 Well, the highlight for me was signing an MOU
17 with the City of Mexico government, so just the sub-
18 jurisdictional conversation is just getting to be so
19 central to climate and there's so much synergy. I'd say
20 primarily on energy and buildings for sure, but also in
21 transportation and air quality and environmental justice,
22 so many different fronts.

23 And being the Mayor of Mexico City as Claudia
24 Sheinbaum, is a huge job. I can't really imagine a bigger
25 job almost, maybe being President of Mexico. But I think

1 it's the fifth largest city in the world. And Mayor Jefe
2 de Gobierno is what they call here. She's not exactly a
3 Mayor, because it's not quite -- it's more than a city, but
4 not quite a state. So it's a really unique jurisdiction
5 with Mexico. But she did her PhD research at Berkeley Lab
6 working with Lee Schipper (phonetic) back in the day as an
7 energy expert in her own right on residential energy
8 consumption --

9 COMMISSIONER MONAHAN: And me. And me.

10 COMMISSIONER MCALLISTER: Exactly, and worked in
11 residential energy consumption in Mexico for her PhD as a
12 professor at UNAM there, so really great counterpart to
13 have. I mean this energy world manifests itself in
14 interesting ways. So anyway, I'm excited about that.

15 I wanted to thank my Advisor, Brian Early, for
16 putting that trip together to really whip together
17 (indiscernible) from the Lieutenant Governor's Office. It
18 was really just they knocked it out of the park. And that
19 was a good representation of California. And it was
20 actually the first international delegation of the Newsom
21 Administration. And so that was a very conscious choice to
22 go to Mexico City.

23 Let's see, last Friday I talked at the Getting To
24 Zero Conference, which used to be about net energy, now
25 it's about zero carbon. And that's just been a -- for the

1 last 15 years, they've been doing this conference between
2 the Rocky Mountain Institute and primarily organized by New
3 Buildings Institute. And it was in Oakland. And just a
4 really great 400 of the biggest buildings nerds you can
5 imagine. But just so much appreciation of the grid impacts
6 of buildings and this idea that everything needs to work
7 together and that we've got a billion different actors now
8 connected to the grid that all have to work together. I
9 think that idea is taking hold. And there's a lot of
10 creativity flowing into it in the building sector for sure.

11 Let's see, just a couple of small things. I
12 wanted to thank Siva Gunda for representing us at the NARUP
13 and NASEO Meeting on Comprehensive Electricity System
14 Planning. And that the PUC and Energy Commission are
15 participating in this effort. Its 16 states. It's
16 convened by NASEO and its counterpart NARUP, the Regulatory
17 Utility Commissioners. And it's a really interesting
18 effort to get states sort of socialize this idea that we
19 need to do comprehensive system planning that includes the
20 distribution grid and all these distributed resources. And
21 that's something that's new for a lot of states. And we're
22 in a position to lead that conversation. And so Siva
23 represented us at that last meeting and I heard it went
24 really well.

25 And then tomorrow I'm actually off to a dairy

1 digester for a tour in Bakersfield. So hopefully I'll
2 still be able to see Dwight Yoakum or something down there.
3 But its dairy digesters are kind of focus of attention now.
4 So how can we best take advantage of them, so I'm going to
5 see one in person and see what innovations are happening.

6 So that's it for me. So thanks very much.

7 CHAIR HOCHSCHILD: Great, and thanks again for
8 your terrific job on the NASEO conference. That was
9 fantastic and a great use of your time and talents.

10 Commissioner Scott.

11 VICE CHAIR SCOTT: All right, so it's been a busy
12 month for me as well. Just last week I was in San Diego at
13 the Western Interstate Energy Board Meeting and the Western
14 Interconnection Regional Advisory Body, WIRAB, of which I
15 am the Chair. And that was a three-day meeting. It was
16 excellent. We meet twice a year to really talk about key
17 reliability work across the west. So it's 11 western
18 states and 3 Canadian provinces and Mexico as well that
19 participate in that.

20 We had a panel that was on 100 percent clean
21 energy standards, which was fantastic. So Siva came and
22 presented on that. So he has been busy this month as well.
23 He did a fantastic job.

24 It also included Nevada and Oregon and a person
25 from Idaho Power, so not the state of Idaho, but from Idaho

1 Power. So it was really interesting to hear where the
2 different states are, what we're working on, why we're
3 working on it, who has what defined and those kinds of
4 things. That was a very interesting panel.

5 We had another really good panel I think on
6 Wildfire and what to think about, so Michael Wara is one of
7 the Wildfire Commissioners who came and was presenting on
8 that panel. But clearly wildfire and responses and what do
9 we need to do is a topic that's of consideration for all of
10 our western states.

11 Also Brian -- I'm blanking on Brian's last name -
12 - from San Diego Gas and Electric, because they've got one
13 of the most sophisticated wildfire detection systems within
14 the utility. So that was also I think a very interesting
15 incredibly timely panel.

16 Some discussion, Commissioner Liane Randolph was
17 there as well. And she talked about resource adequacy and
18 capacity and some of the things that we see in California
19 coming up in the next couple of summers. So that was
20 interesting to hear about. It was a little bit of a
21 California-centric meeting, but sometimes we're the
22 bellwether of things that we will start to see in the west
23 later.

24 For example, Arizona has recently started to
25 experience -- their duck curve is actually a camel. It has

1 two humps, right? But they're starting to experience kind
2 of what that looks like now. And so we tend to a
3 bellwether of things that other western states will
4 experience sooner or later.

5 We also had a very technical presentation on
6 inverter-based resources. And I thought it was
7 interesting. Really what they're saying is now we have
8 more inverter-based resources coming online, we need to
9 make sure that our frequency control systems and other
10 things like that are set up to respond to those. They're
11 on a different timeframes. And if they're not, what
12 happens is it actually makes it worse. And then so I'm
13 envisioning the sine wave that she was drawing, but kept
14 getting more -- what's the right word -- more wiggly. And
15 that's not a good thing in that situation.

16 So they were kind of pointing out things that
17 regulators ought to be mindful of as we start having more
18 inverter-based resources. So it's a very interesting
19 meeting down in San Diego. It's great, because all the San
20 Diegans were talking about how it's starting to feel like
21 fall and all the Canadians were like, "Really? It's 75
22 degrees here." So it was good.

23 We are all IEPR all the time. There have been
24 several IEPR workshops. They have all been, I think, very
25 interesting. We did some emerging trends in -- well okay,

1 it may be interesting for folks like us -- emerging trends
2 in forecasting. You guys had a fantastic offshore wind
3 workshop. We talked about deep decarbonization in
4 California, so quite a bit going on in the IEPR space.

5 And then I got a chance to visit many of our EPIC
6 and our PEER and our FPIP projects. And so I just wanted
7 to highlight a couple of those for you.

8 We went out to -- well, this was not a project,
9 but we went to the Cyclotron Road event called Activate.
10 It is where they bring together investors, philanthropists
11 and corporate leaders to really get visionary pitches from
12 folks who have great ideas in the tech space. Not all of
13 the tech was energy focused tech, but the technology that
14 was energy focused mostly was funded by Energy Commission
15 programs. So through CalSEED, through RAMP, through
16 BRIDGE, some of our other programs, those were the
17 entrepreneurs that were there sort of making the pitches.

18 It was very exciting, lots of energy, lots of
19 great ideas. Things that I never would have thought of,
20 but folks have these really creative ideas. And they each
21 had about three minutes to kind of make this pitch and then
22 excite you to come over to their booth to learn more. And
23 so it just was very energetic, so different than some of
24 the symposiums that we often go to where we get lots of
25 good information, but maybe not that same high-energy

1 level. So that was fantastic and I was really proud to be
2 there. I had a chance to speak a little bit about our
3 program on a panel during that session.

4 We went to visit Lawrence Berkeley National Lab,
5 which was great. We saw somethings like high-performance
6 windows, cool surfaces, solutions to improve indoor air
7 quality, turning woody waste into low carbon fuels and
8 products. And we heard from a bunch of the CalSEED
9 entrepreneurs that are sparked by investments we've made in
10 Lawrence Berkeley National Lab.

11 One of the interesting things that they showed us
12 there is that even though Lawrence Berkeley Lab is
13 obviously in Berkeley, and many of the Energy Commission's
14 research funds go there, it is spread out all across the
15 state. And the projects are being carried out all across
16 the state. So if you kind of look at that first line
17 number, it's like, "Oh gosh, there's a lot of money going
18 to the Bay Area to Berkeley." But if you look at the
19 second line number, you can actually see that there's
20 projects all around the state, so I appreciated that they
21 highlighted that for us while we were there.

22 We also saw the world's most advanced building
23 efficiency test bed. And it's actually a building. And it
24 has, I don't know, fake people is not quite the right word.
25 I'm sure the scientists will be, "Oh, that's not what we

1 told her." But it was a fake person and he has sensors or
2 she all over. And so they can tell if the window coatings
3 are working correctly, what the air temperature is like
4 within a building, what the glare is on the screen
5 depending on different lights that come in by having this -
6 - it wasn't a robot. It was just like a person, a
7 mannequin kind of sitting there with these sensors.

8 The building can also rotate, which is really
9 cool. So that if you have something you want to see how it
10 works on the western side of the building versus the
11 northern side of the building you can actually rotate that
12 building. So that was really neat to see.

13 We had a chance to go visit, also here in Davis
14 in the Mondavi Center, in our Western Cooling Center. So
15 there's all kinds of interesting work on HVAC, on
16 insulation and spray insulation and how to get insulation
17 into cracks in existing buildings and things that have been
18 invented over there due in part most to Energy Commission
19 funding. So that's exciting to see.

20 And then we saw a community-scale low-cost, high-
21 efficient PV and energy management system. So I wrote that
22 down to make sure I got that right, but it was pretty neat.
23 So Mondavi has over there they do the testing of a whole
24 bunch of different kinds of wine. And that whole center is
25 run off of it. They're trying to get it off -- or maybe

1 off the grid is not the right word, but to be zero energy,
2 zero carbon. And so that was really neat to see.

3 The folks are working with second life Nissan
4 batteries in that energy management system, which was
5 great. And actually it's so interesting and innovative
6 that they have spun off their own little company and won a
7 CalSEED grant to get that technology on its way down the
8 innovation pipeline. So that was really cool to see.

9 So it's really neat to go out and get to kick the
10 tires on some of these projects and see what they're doing,
11 talk to people who are working on them. And I feel like
12 I'm always so excited to be at the Commission, but we're
13 doing really interesting work. And it's great to see it
14 all around the state.

15 And I sometimes hear, "Oh, the program's not
16 innovative enough." And I feel like that means people
17 really just aren't paying attention, because when you go
18 and you look at see what folks are working on, both on sort
19 of the technology innovator side but also on the science
20 side. So you all remember that we did the updated
21 earthquake. We're learning about what we need to learn
22 about wildfire management and types of things we need to
23 study. We are way on the cutting edge. And so it's
24 exciting to get to go and see some of it.

25 So many thanks to the EPIC staff for putting that

1 together for me and their great work every day, so that's
2 my update.

3 CHAIR HOCHSCHILD: Great and I was able to hear
4 your talk at the Cyclotron Load Event. You did fantastic,
5 as usual.

6 A couple of updates, one I wanted to just begin,
7 actually our neighbor, this building that's going up,
8 Secretary Crowfoot led a tour for the agency chairs to see
9 the building. So it's a \$520 million green building that
10 will be done a little over a year from now. I have major
11 building envy, I will say. But it's done just with
12 incredible thoughtfulness on green design. Really the
13 state is pushing very hard on that. DGS is doing a great
14 job of building out the next fleet of buildings that are
15 super high-efficiency and great to see. So it actually put
16 the -- we got to sign the last iron member that goes on the
17 top. And that is now so the -- actually the building is
18 now -- all the structure is in. So then now they're just
19 building up.

20 One event that Commissioner Monahan and I did
21 maybe 10 days ago, we hosted a dinner with Orville Schell
22 from the Asia Society and a few other folks for Chairman
23 Wang who's the Chairman of BYD, the largest electric
24 vehicle maker in the world, 220,000 employees. And he was
25 in town from China.

1 And just to give you a sense, I mean they're
2 obviously based in Shenzhen, where all of the buses in the
3 whole city are electric. And all of the taxis are
4 electric. And they're now doing heavy-duty. So this year
5 they've done 3,000 heavy-duty electric trucks. We've been
6 talking about this as a hypothetical, they're actually
7 doing it now. And just to hear the scale that they're
8 getting to, which was really exciting.

9 And my thanks again to Fan Dai for organizing
10 that trip to China I did in June. And I think Commissioner
11 Monahan is hopefully going to be doing a trip this next
12 year, but hopefully all of us can continue that engagement
13 in China.

14 So let's see, I guess the other big news is I'm
15 still married. The reason I note that is that we had a
16 dinner this week with Mark Ruffalo, who my wife has had a
17 crush on for like 20 years. (Laughter.) And he's been
18 working very hard on 100 percent clean energy advocacy.
19 And so I was happily surprised to still have her at the end
20 of the night, but incredible, incredible advocacy.

21 Both he led the fracking ban in New York State
22 and then been involved in propagating 100 percent clean
23 energy mandates around the country.

24 I did sign an MOU with Denmark this week around
25 offshore wind. And I think I -- yeah, I shared a little

1 bit about the Navajo Nation. I think I'll stop there.

2 Let's move on to Executive Director's Report, but
3 I would ask, actually Drew if you could cover the blackouts
4 and what Justin was doing at OES as well in your report?

5 MR. BOHAN: Certainly, why don't I start there?
6 So most of you know Justin Cochran, he's on the third floor
7 and he's both or Nuclear Advisor to Chair Hochschild as
8 well as our Emergency Coordinator. And our principal
9 responsibility is with refineries. And so during this
10 situation he was stationed over at the Office of Emergency
11 Services for several days doing 12-hour shifts. We spelled
12 him after a few days with another staff person who traded
13 off a little bit. And by this weekend, they said they
14 could just be on call and so that was fine.

15 But he told -- and I won't go into more detail --
16 you may want to speak with him yourself. But there it was
17 really, really good that we had a presence there, because
18 our understanding of the refineries, and our relationship
19 with the players there, not just Justin but some of our
20 other staff. And knowing that the refineries, you can keep
21 them going, but if you don't have the pipelines working as
22 well they also in many cases don't have backup power. So
23 he was instrumental in working closely with the other
24 officials to make sure that we got no big breaks that would
25 have had really rippling effects on gasoline and diesel

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1 supply. So he did a wonderful job.

2 And I just want to -- I know the report, except I
3 want to in our ongoing series of unsung heroes, bring up
4 Melanie Vail who I think most of you know, so she's not as
5 unsung as some of the folks we bring up, but I just --

6 CHAIR HOCHSCHILD: She's pretty sung. I think
7 (indiscernible).

8 MR. BOHAN: But we got her here at the Energy
9 Commission about 10 years ago after a banking career in the
10 northern part of the state. And she's been just terrific.
11 She's run our Budget Office until about a week or two ago
12 when she was promoted to run not just the Budget Office but
13 the Contracts, Grants and Loans Office and the Accounting
14 Office. And she's been instrumental in and has really been
15 the architect of our ERPA work to try to shift funds around
16 and cut back where we can and save and pinch funds when we
17 can.

18 And I just wanted to honor her for all that great
19 work she's done. Thank you. (Applause.)

20 CHAIR HOCHSCHILD: Thank you, Melanie. I really
21 have appreciated your work. We're very focused on this
22 ERPA fix. It's a real issue for us and just really
23 appreciate your diligence and strategy on that.

24 Let's go next to Public Advisor's Report. Noemi.

25 MS. GALLARDO: Hi, everyone, Public Advisor.

1 Thank you again for the warm welcome, Commissioners. A
2 short report, I just wanted to highlight that I am working
3 with Chair Hochschild to develop some ideas or explore and
4 develop some ideas for a couple of events.

5 And also my team has already been diving in to
6 support Commissioner Monahan and her team on refreshing the
7 Clean Transportation Advisory Committee, so very excited
8 about that and look forward to working with all of you.

9 So that's in on my report. I believe there is a
10 public comment for at least one item that's not on the
11 agenda today.

12 CHAIR HOCHSCHILD: Thank you. Let's go to Public
13 Comment. David Wright, are you still here? Yeah, go
14 ahead, sir.

15 MR. WRIGHT: Good morning to the Commission, my
16 name is David Wright. I am a PhD environmental scientist.
17 I have been watching our descent into this climate
18 emergency for about 35 years, so I'm a little older than
19 some of you. I feel that we urgently need to move forward
20 reaching zero carbon. And not just forward but radically
21 forward.

22 I want to bring your attention to a proposal that
23 SMUD has made to the Commission under Title 24. And
24 actually I believe it would be an exemption under Title 24.
25 And they call this solar shares. I'm asking you to please

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1 send this proposal back to SMUD, reject it. So first of
2 all, the proposal proposes coasting, not moving forward in
3 the spirit of Title 24. SMUD asks to be credited for their
4 past glories as if they were future advances which they are
5 not. And they need to move forward. We all need to move
6 forward.

7 Second, the proposal avoids providing full access
8 to solar resources to citizens living in lower-income,
9 multifamily units, contrary to the spirit of the code.

10 And third, it's my understanding that SMUD staff
11 have submitted this proposal and that it has not gone
12 before the SMUD Board for public presentation, review and
13 comment. This is inappropriate for a proposal of this
14 magnitude. And that should be of concern to the
15 Commission.

16 In summary, SMUD's solar shares proposal is
17 backsliding. It does not fulfill public sunshine needs.
18 And I feel it is environmentally and socially unjust. And
19 I strongly encourage the Commission to reject it. Thank
20 you.

21 CHAIR HOCHSCHILD: Thank you, Mr. Wright.

22 Any other public comments or did SMUD want to
23 respond to that? No, okay. Any other comments?

24 (No audible response.)

25 CHAIR HOCHSCHILD: Okay. Let's move on to Chief

1 Counsel's Report.

2 MR. WARD: No report, thank you.

3 CHAIR HOCHSCHILD: All right. We're adjourned.

4 Thank you.

5 (The Business Meeting adjourned at 12:02 p.m.)

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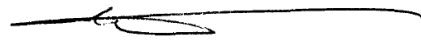
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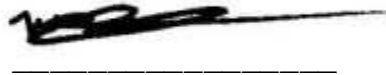
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