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BUSINESS MEETING

BEFORE THE

CALIFORNIA ENERGY COMMISSION

In the Matter of: )
)20-BUSMTG-01
) Business Meeting )
) _____________________________}

REMOTE ACCESS ONLY

The California Energy Commission’s November 10, 2020 Business Meeting will be held remotely, consistent with Executive Orders N-25-20 and N-29-20 and the recommendations from the California Department of Public Health to encourage physical distancing to slow the spread of COVID-19. The public is able to participate and observe the meeting consistent with the direction in these Executive Orders. Instructions for remote participation can be found in the notice for this meeting and as set forth below in this agenda.

TUESDAY, NOVEMBER 10, 2020

10:00 A.M.

Reported by:
Peter Petty
APPEARANCES

Commissioners (Via Remote)

David Hochschild, Chair
Janea Scott, Vice Chair
Karen Douglas
Andrew McAllister
Patricia Monahan

Staff Present: (Via Remote)

Drew Bohan, Executive Director
Allan Ward, Assistant Chief Counsel
Noemi Gallardo, Public Advisor
Cody Goldthrite, Secretariat

Agenda Item

Tim Olson 3
Ken Rider 3
Siva Gunda 4
Terra Weeks 4
Bryan Early 4
Courtney Smith 4
Heather Raitt 4
Linda Spiegel 4
Chris Davis 5
Monica Rudman 6
Kevin Uy 7

Others Present (Via Remote)

Presenters:

Stan Greschner, Chair, Disadvantaged Communities Advisory Group (DACAG)

Interested Parties

Chris Kimball, West Coast Code Consultants, Inc. (WC3)

Public Comment (Via Remote)

None
INDEX

Proceedings

Items

1. Consent Calendar. (Items will be taken up and voted on as a group. A commissioner may request that an item be moved and discussed later in the meeting.)
   a. GEOTHERMAL RESOURCES COUNCIL

2. Disadvantaged Communities Advisory Group’s (DACAG) 2019 Annual Report


5. West Coast Code Consultants, Inc.

6. City of Oakdale

7. Frito-Lay, Inc.

8. Minutes

9. Lead Commissioner or Presiding Member Reports

I N D E X (Cont.)
10. Executive Director's Report 96
11. Public Advisor's Report 97
12. Public Comment 98
13. Chief Counsel's Report 99

a. Pursuant to Government Code Section 11126(e), the CEC may adjourn to closed session with its legal counsel to discuss any of the following matters to which the CEC is a party:


ii. Communities for a Better Environment and Center for Biological Diversity v. Energy Resources Conservation and Development Commission, and California State Controller, (Alameda County Superior Court, Case No. RG13681262)

iii. State Energy Resources Conservation and Development Commission v. Electricore, Inc. and ZeroTruck (Sacramento County Superior Court, Case No. 34-2016-00204586)

v.  **In re: PG&E Corporation and In re: Pacific Gas and Electric Company**  
(United States Bankruptcy Court, Northern District of California, San Francisco Division, Case No. 19-30088)

vi.  **State Energy Resources Conservation and Development Commission v. HyGen Industries, Inc.**  
(Sacramento County Superior Court, Case No. 34-2019-00252543)

vii.  **Olson-Ecologic Testing Laboratories, LLC v. CEC.**  
(Orange County Superior Court  
Case No. 30-2019-01115513)

viii.  **Interlink Products International, Inc. v. Xavier Becerra, Drew Bohan, Melissa Rae King**  
(United States District Court for the District of New Jersey, Case No. 2:20-cv-10566)

ix.  **Southern California Gas Company v. California State Energy Resources Conservation and Development Commission**  
(Orange County Superior Court,  
Case No. 30-2020-01152336-CU-WM-CXC).

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.

Adjournment

Reporter's Certificate

Transcriber's Certificate
CHAIR HOCHSCHILD: All right, well welcome and good morning to everyone. Today is Tuesday, November 10, and we're going to begin our Energy Commission Business Meeting. Let's begin by having Vice Chair Scott do the Pledge of Allegiance for us.

VICE CHAIR SCOTT: Good morning, everyone.

(Whereupon the Pledge of Allegiance is recited.)

CHAIR HOCHSCHILD: Thank you, Madam Vice Chair.

Again, the COVID pandemic continues and in fact is worsening, so please continue to exercise discretion, wear a mask, wash your hands frequently, and keep your distance. And let's stay vigilant.

I do want to make a few remarks about the moment that we're in. We obviously just concluded a very, very lengthy and very contentious presidential election. That election has concluded, we have a new President Elect, Joe Biden, and Vice President Elect Kamala Harris. And I know that tensions are still high. I think it's really important for all of us collectively to try to take the temperature down in this country and really listen to our better angels come together. This is what our country has done in every election since our founding.

And you know for those Americans, you know, whose
candidate didn't win it's really important you know that we recognize everybody has a role to play in the next chapter of our country's history and building this country up. We need your talent, your skills, your patriotism, your dedication. This is a time to come together and work to improve the plight of all Americans. And so I really want to just appeal to everybody to be the best citizens we can possibly be. Listen to each other, hear each other, be empathetic, be supportive and to try to come together. This is a really, really critical moment and we've got to lead, all of us, by example.

So with that, let's get into the meeting agenda. Today's meeting is being held remotely without a physical location for any participant consistent with Executive Orders N-25-20 and N-29-20 and the recommendations from the California Department of Public Health to encourage social distancing in order to slow the spread of COVID-19. The public may participate and/or observe the meeting consistent with the direction of these executive orders.

Instructions for remote participation can be found in the notice of this meeting as set forth in the agenda posted to the Energy Commission website for this business meeting. Pursuant to California Code of Regulations Title 20 Section 1104(e) any person may make oral comments on any the agenda item. To ensure the
orderly conduct of business, such comments will be limited
to three minutes per person.

As to each item listed on the agenda, that will
be voted on today, any person wishing to make comment on
information items or reports, which are non-voting items,
shall reserve their comment for the general public comment
portion of the meeting agenda. And you'll have three
minutes total to state all the remaining comments.

All right, so let's -- let me just also reiterate
today if all the items are approved we'll be approving $6.5
of grants coming out today, including one ECCA loan. This
is going to help contribute to California's economic
recovery, so really proud of all of the stakeholders and
the staff who have been working on these.

So let's turn now to Item 1, the Geothermal
Resources Council.

Is there -- yeah, who's on staff? Is that James
Folkman?

MS. GALLARDO: Chair, it's a Consent Calendar
item, so there is no presentation.

CHAIR HOCHSCHILD: Excuse me, you're right. It
is a consent item. I'm sorry, this -- so there's no
presentation from Jim. Okay. Are there any public
comments on Item 1?

MS. GALLARDO: No public comment.
CHAIR HOCHSCHILD: Yeah, are there any Commissioner comments?
(No audible response.)
CHAIR HOCHSCHILD: I'm hearing none. Is there a motion, Vice Chair Scott, to approve the Consent Calendar?
VICE CHAIR SCOTT: Yes. I'll move approval of Item 1.
Commissioner, Douglas, would you be willing to second that?
COMMISSIONER DOUGLAS: Yes, I second item one.
CHAIR HOCHSCHILD: Okay, all in favor say aye.
Vice Chair Scott?
VICE CHAIR SCOTT: Aye.
CHAIR HOCHSCHILD: Commissioner Douglas?
COMMISSIONER DOUGLAS: Aye.
CHAIR HOCHSCHILD: Commissioner McAllister?
COMMISSIONER MCALLISTER: Aye.
CHAIR HOCHSCHILD: Commissioner Monahan?
COMMISSIONER MONAHAN: Aye.
CHAIR HOCHSCHILD: And I vote aye as well. That item passes unanimously. Thank you.
Let's go now to Item 2, Disadvantaged Community Advisory Group 2019 Annual Report.
MS. GALLARDO: Hello, Chair, Vice Chair and Commissioners, this is Noemi Gallardo, the Public Advisor.
It is my honor to introduce to you, MR. GRESCHNER: who is the DACAG Chair and that's D-A-C-A-G. It's how we lovingly refer to the Disadvantaged Communities Advisory Group. So MR. GRESCHNER: is the Chair of the DACAG and will be presenting today's report.

Stan, I'll hand it over to you.

MR. GRESCHNER: Thank you very much, Noemi. And good morning, Commissioners, I'm Stan Greschner, the Chair of the DACAG as Noemi noted. Thank you again for the invitation for Angela Islas and I to join you this morning to discuss the work of the DACAG. Unfortunately, Angela's work pulled her away from today's meeting. So I'm all you get today and will make the best of it.

But I wanted to begin by thanking all of you for your engagement with the DACAG over the past year. And bringing your policy areas, your questions and your openness to dialogue to the DACAG's monthly meetings. You know, we are your advisory group, so without your participation and the participation of your teams and staff we couldn't be the effective body that aims to bring the voices and perspectives of underserved communities to the CEC discussions. And you all have been very thoughtful collaborators with the DACAG. And we appreciate all of the time that you give to our meetings.

And we also couldn't do our work without the
support of key team members at CEC and the PUC. The CEC, especially I want to acknowledge and thank directly Kristy Chew, Noemi Gallardo, Dorothy Murimi, Galen Lemei, who is now at PUC (indiscernible) and Renee Webster Hawkins. And PUC staff definitely are to be commended, Kathryn Yip and Jason Reiger, as well as the many CEC staff who participated in the DACAG meetings. On behalf of the DACAG, I want to express our sincerest gratitude to you Commissioners, and CEC staff for supporting our work.

And I'm sorry, can you advance to the next slide? Here's the members of the Advisory Group, next slide?

So in 2019 we identified 12 topics that covered the main proceedings and programs at the Commission that the DACAG prioritized. And many of these topics cross both CEC and the PUC, some are very specific to one Commission or the other. I won't go over these in detail, but I'll dive in a little deeper into a few of them later. But I just wanted to show you these and highlight the breadth of issues that the DACAG engages in with the CEC and PUC over the course of our work. Next slide.

So let me go through (indiscernible) on the overall objectives with the separate advisory and advocacy work that we do at the Commission. These kind of sit above the issue areas, the topic areas and define what we aim to do within those specific policy areas.
So first you know we advocate for the DACAG's equity framework to be applied to existing and future programming at the CEC and PUC. And this is an equity framework that we developed in our first year of existence, two years ago. And really is the filter that we put all of your programs through and our advocacy through. And this equity framework focuses in on five key areas in addition to defining the communities that we aim to serve.

Those focus areas are maximizing health and safety in the Commission's programs; access, number two is access and education; maximize the impact, the financial impact of the investments we're making and those impacts on the communities we're aiming serve. The fourth is economic development and the fifth is maximizing consumer protection in the programs that you and the PUC roll out.

Our next kind of overarching objective is asking ourselves and asking you, the Commission, where are there opportunities for interagency collaboration and coordination among your complimentary programs? You know, how can we be coordinated on outreach, on leveraging each of the Commission's programs and not offering them in a silo or in a way that creates confusion where there are other opportunities to be collaborative.

And we also collaborated with other state agencies beyond the PUC and CEC since many of your programs
overlap with, or have complimentary programs with other agencies as well. So that's something we focus on as we look at different programs being brought to the DACs we represent.

And then finally, and maybe this should be the lead objective, on when we started to expand direct community participation it transformed our advisory and advocacy roles within the Commission. So in addition to the DACAG being made up of members of advocacy and policy leaders in the environmental and social justice communities, we are also actively soliciting engagement with other organizations and other community members to join our discussions, that then in turn help inform your decision making process and the advocacy work that we do with you. So, next slide please.

So let me just highlight three thematic areas that kind of drew lines through many of our discussions in our 2019-2020 term. They're resiliency and the public safety power shutoffs, PSPS, transportation electrification, and kind of the umbrella issue of removing fossil fuels from our energy needs more broadly. And you know, that's within all of the programs that we engage in.

So I guess let's take it in reverse order. That third point is actually our first guiding principle of defined dynamics (phonetic) in the DACAG's Charter, which...
is to increase access to clean energy technologies in disadvantaged communities. So that is always kind of the starting place in any of the programming discussions we engage in. And certainly as you have worked with us over the past year, I'm sure in the sense that that's where we start, and that's what we're trying to get to is more clean energy in the communities we represent.

Going to number two, equity in transportation electrification was a major topic area at the CEC through the Clean Transportation Program. At the PUC, through the Transportation Electrification Framework that they were discussing. And at ARB in the many programs it has for equity consideration, you know, over the past 12 to 18 months. And I joined you at your last meeting where you approved the Clean Transportation Program, but I just want to acknowledge again Commissioner Monahan and the Fuels and Transportation Division that spent a significant amount of time with the DACAG over the past 12 to 18 months.

It seems like every other meeting either the Commissioner or staff were soliciting feedback from the DACAG as the CTP was iterated on multiple times. We were brought into the discussion early and often and really appreciate being able to inform that topic.

You also had CPUC Commissioner Rechtschaffen and the Transportation Electrification Framework team all
working with the DACAG as they simultaneously developed their framework.

And as I noted the Air Resources Board joined multiple meetings, tuned into the DACAG both on our Medium-Heavy Duty and Light Duty Equity programs, which again are complimentary to the efforts of the Commission and we know you all are more and more collaborative in your work together.

And now with the 100 percent mandate that the Governor announced recently we expect even greater opportunity for equity programming in the transportation and electrification space.

And then finally one of the themes of last year that was added to our priority areas halfway through the term was the PSPS events and community resiliency that related to them. And so it was a consistent topic within our meetings from October 2019 (sic) to April of last year. And certainly in subsequent months the issues we've talked about were in the framework of PSPS as well and loading shutoffs or whatever event there was that turned off the lights. So for those six months we discussed and debated the PSPS impacts in the communities that we represent.

And I want to highlight that in addition to supporting CEC and the CPUC and hosting your teams in this conversation, we also brought together several other state
agencies who were offering equity programming or a grant or assistance to serve DACs, so Cal OES, OPI, the Office of Planning and Research and the Strategic Growth Council, CalEPA. We brought everyone together in a few meetings to have a comprehensive understanding of who is doing what in DACs related to increasing resiliency in those communities within households, you know, related to these PSPS events.

And in that conversation it was noted by one of the agencies that there was no coordinating body that worked across the many different state agencies who are developing programs are offering funding to help mitigate against some of the most severe consequences of the TOR (phonetic) shutoffs. And the DACAG was asked to consider being that coordinating body. And though we didn't necessarily pick up that mantle officially, you know, there was a recognized gap and opportunity and we continue to bring together those voices to inform our work related to PSPS and resiliency. So that we could be kind of a collective resource for the CEC and PUC and others to bring their ideas to.

Additionally, we hosted the VPs of three IOUs who were charged with the PSPS planning and spent hours with them discussing the challenges and opportunities to better support DACs leading up to the events and during those events.
And then most importantly, we also hosted other community leaders within the access and functional needs community, tribal communities, and the impacted disadvantaged communities to directly engage impacted individuals to bring their perspectives to these conversations.

So in the past year the DACAG has very effectively served the CEC and the PUC, and most importantly the communities that we represent, in these energy policy discussions. And I hope you feel the same way. So we're looking forward to the current team or current term that comes through Q1 of next year. Let's move to the next slide.

These are the priority areas that we're focusing on, that we've focused on since we adopted these back in I believe it was April or May of this year. Similar to last year's or the previous year's list we've added environmental and social justice action plans to the list. And some COVID-19 response, telecom and broadband divide that we see in the communities that we represent and the issues related to that as well as the power goes down. So there's 14 topic areas that we are engaged in this year.

So next slide, please.

So in closing what we're looking forward to this year that I would love to get your feedback on -- what we'd
love to continue working with you on over the next several months on a couple of different things is one, we'd like to work with you to develop a framework for the CEC -- kind of setting the CEC's North Star for equity programming throughout all of its programs in whatever form that takes. I know Chair Hochschild when you joined us you spoke a lot about the initiative idea, the X Initiative, (phonetic) maybe it's that framework.

Again, we worked with the PUC last year to help develop their environmental and social justice action plan. And, you know, within that they kind of set their North Star on how equity was going to be a thread through all their programs. And they'll work with you over this next year to create a similar blueprint for that equity programming.

And as we've done over the past year is to continue looking at existing programs and identify opportunities to be more impactful for disadvantaged communities in all of those programs that the Commission is leading on. And whether it's applying our equity framework or a framework to develop to ensuring equity is centered in the discussions you're having around for different program offerings.

So thank you again for inviting us to join your meeting today and I welcome any questions or feedback.
CHAIR HOCHSCHILD: Well, Stan let me begin by behalf of all of us thanking you for your hard work. I know these committees, they become really a second job unpaid but you are making an impact. All your colleagues are making an impact. And we want to thank all of you for the work you've done.

And before I turn it over to Vice Chair Scott to make a few remarks, I just want to say it's really important that we follow the money with these things. I mean, I think a lot of times people can say all the right things and the money doesn't change. And I am really, really proud of what the Energy Commission is doing in terms of how our spending priorities have evolved. I'm reminded of that phrase, you know, we're still not what we ought to be, but thank God we're not where we used to be.

And I look around right, I want to just acknowledge Vice Chair Scott and the whole EPIC team, 65 percent of our clean energy demonstration projects from the Energy Commission's EPIC program are in low-income disadvantaged communities.

I want to acknowledge Commissioner Monahan. We just approved this $384 million clean transportation investment plan, 50 percent of the infrastructure going to low-income and disadvantaged communities.

Commissioner Douglas has been spectacular on a
number of issues, but most especially on the tribal engagement. We're getting the tribal planning grants going and she's been leading that.

And Commissioner McAllister has played an instrumental role in standing up country's first building electrification exclusively for low-income customers, the Build Program, which is going to be supporting all-electric homes for low-income communities.

And so I just want to recognize my colleagues and all of the Energy Commission staff for the progress there as well as the tremendous work of the DACAG. And we're going to need you guys going forward, because this template, the way that we're thinking about this, we want this to spread. And I know I worry a little bit I repeat myself at some of these meetings.

But I thunderously agree with what I've said before, so I'm going to reiterate again the SB 100 bill that got passed and signed exactly two years ago was seen as mythology. It was seen as impractical. It passed. Okay, it's now the law of the land in 17 states as well as DC in Puerto Rico and the 100 percent platform is in President Elect Biden's energy platform. Okay, we want the equity lens to have the same trajectory. We really want this is the way to do energy policy going forward and it applies to poor communities in places like Appalachia and
around the country that have been neglected for too long.
And this is the right way to do it.

We're enthusiastic. The Governor's enthusiastic and the Legislature, I believe. So we have to live this up and make it work, not just for California, but really as a national model. So with that, let me turn it over to Vice Chair Scott for some comments.

MR. GRESCHNER: Let me just say Chair you noted SB 100 and I just want to say thank you for using that as a lever to center equity in the future programming that California is going to be doing. Because (indiscernible) that we worked on with you and it is great to hear a report come out where equity is going to be centered in that going forward. So thanks for noting SB 100.

CHAIR HOCHSCHILD: Thank you, and let's acknowledge as well Tara Weeks for leading the SB 100 work for the Energy Commission. She has been phenomenal and working super hard on this report, so thank you, Stan, for that.

VICE CHAIR SCOTT: Yeah, and I would just add my thanks as well, and heartily echo what you heard Chair Hochschild say, Stan. Thank you so much for being here at our meeting today, and to Angela. I know she's thinking about us while we're here talking. And really to the full DACAG for all of the terrific work that you have done and
the thought and care that you have put into the advice that you're giving to both the Energy Commission and to the Public Utilities Commission.

I can't overemphasize how much we appreciate your expertise and your depth of knowledge and that you all take the time to come and share it with us. So I just really want to say thank you so much to you, to Angela, and to the full DACAG for that work.

And I echo many of the things that you said, I mean, one of the things we're thinking about a lot is how do we have a broader reach with the Energy Commission and its Energy Commission programs. And the change that we're trying to affect right across to get to 100 percent clean energy standards, to get to a decarbonized world. And we certainly can't do that without low-income communities, without tribal communities, without CalEnviroScreen disadvantaged communities. And with our rural communities. And so just having again that kind of thought and care that you bring to this, how do we broaden the reach so that people can really engage with us, is so important. And I want to make sure, to continue to make sure that we have access to the Commission and its programs. And that we're giving communities of voice, and that we really are listening. And tweaking and editing and updating and always just working together to do better and better and
better to reach communities.

And I think that's what we're doing right, we're truly trying to develop our solicitations, our projects, the other work that we do in a way that that benefits communities in the places where it's most needed. And we have ideas here at the Commission, and our staff does a great job in that space, but all of the information and data and input that we can get from thoughtful communities around the state makes a huge difference. And so I hope that the DACAG is seeing that in the work that you see coming out of the Commission as well. This is really important and it's really serious.

And so I just appreciate again taking the time to have a chance to talk to you and the fellow Commissioners here, kind of on our business meeting stage, so that others can also hear about the important work that's taking place. So again, thank you so very much. And I'll let some other Commissioners speak if they'd like.

CHAIR HOCHSCHILD: Yeah, thanks.

Commissioner Monahan, would you like say a few words?

COMMISSIONER MONAHAN: Yeah, I just wanted to say, Stan, I thought it was kind of ironic that you were thanking us for at reaching out to you to engage with the Clean Transportation Program. I would thank you for
advising us, so really it's we that are benefiting and the Clean Transportation Program. You guys, whenever that was, a year-and-a-half ago, really, really helped us in that initial refresh. Helped us recognize that we needed to have a refreshed advisory committee with a strong focus on equity and community engagement, which we did. And all the support that you have provided and guidance you provided in terms of increasing our investments in disadvantaged communities.

But also, and this is something I am committed to working with you and others, to make sure that we broaden our characterization of benefits. To really drill down into what is going to help communities be more mobile, have cleaner air, you know, we need to just think more creatively about what it means to benefit communities. And I'm really looking forward to your partnership and the partnership of other DACAG members in that journey.

You mentioned IDEA X (phonetic) and I think that's going to be a place of note. Our Public Advisor, Noemi Gallardo, is very committed to this as well. So hopefully there are lessons learned, I think, not just for the Clean Transportation Program, but broadly in the entire portfolio of investments we're making here at the Energy Commission. But also what's happening at the Air Resources Board, what's happening at CPUC, I mean is I think a
transition that we need to encourage in this kind of multi-
agency way.

So I just look forward to working with you more
and appreciate all the help that you've given us so far.

CHAIR HOCHSCHILD: Thank you, Commissioner.

Commissioner Douglas?

COMMISSIONER DOUGLAS: Yes, absolutely. So,

Stan, thank you. Thanks for being here today and I just
want to thank you and all of the DACAG members, past and
present, for your service on this group. And your
completion of a successful and obviously very challenging
year. Extra challenges with the pandemic and shifting to
remote work and everything that we've all had to done, but
you found a way to continue to support our efforts through
all of that.

And I've seen firsthand the benefits the benefits
that Energy Commission staff, and also of course PUC staff
and Commissioners, have gotten from dialogue with the
group, from the input the group's been able to give us.
And I have no doubt that it's made our work better and
improved what we've been able to do at the Commission. So
thank you for that.

I also want to thank Noemi and Energy Commission
staff supporting the DACAG for their tremendous work,
because it's never easy. They've worked very hard.
They've been very, very committed to making this work on the PUC side as well, of course. And I really think we've got a great partnership and relationship with the DACAG. We very much value what you all have to say and value the opportunity to work with you. So thank you.

And I think I agree with the comments made by my colleagues as well, I just appreciate it. Thanks very much.

CHAIR HOCHSCHILD: Thank you, Commissioner.

COMMISSIONER MCALLISTER: Yeah, so not to repeat others, I will just second everything that's been said so far. Stan, and your colleagues, thanks so much for being here.

And I think this is a transition, the bureaucracy as a way of functions. And having your lens applied to everything we do, it helps fill a vacuum. It helps recognize and acknowledge and describe the gaps of myopia trying to get to a certain quality policy goal. Well, you know, looking through the lens of equity is arguably it must be the primary lens. Not just a lens or an additional lens, it really needs to be the primary lens that we look through on how we achieve our goals. And so making sure to raise the flag when we're not doing something or help us do something better. You know, participate in stakeholder
discussions and really not just us, but hold everybody kind
of to a standard that's going to really bring everyone
along with our policies.

Because we're talking, as the Chair said, we're
talking real money in these programs in the tens of
billions of dollars of direct investment, leveraged
investment, private capital partner investment that needs
to go to our transportation, to our buildings, to our power
sector. And it has to have that equity lens through or
we're going to actually fail. I mean, it's not just the
right thing to do. It's also a must do to get to our
goals.

So I really, I think, you know, the DACAG
structure, this model that that we've constructed in the
state is really something that's essential. It's critical.
It's not a nice to have. It's a must have. So really I
appreciated coordinating with staff and giving you a view
of some of the things in my world that we're working on.
And your feedback on those and your continued care and
chiming in as those initiatives moved forward.

And I know all of our colleagues feel the same
way. So really, thanks for all the value you're bringing
all that and all the attention that you're providing to our
process. So I appreciate your being here today and I look
forward to working with you.
CHAIR HOCHSCHILD: Thank you, Commissioner.

And again I just especially wanted to recognize Vice Chair Scott who's been working on these issues for us all for a long, long time, and really doing a tremendous job. It's just amazing to see this vision, you know, really begin to blossom.

I actually wanted to take a special departure from protocol and ask our Public Advisor to kind of step out of her role as Public Advisor for a moment to just share a few thoughts of her own on these.

One of the reasons you know we pursued Noemi Gallardo so hard, in addition to being super talented at everything she does and an intelligent attorney helping us run these meetings, and get the money out to all these good organizations, she has been working on these issues for a long time. And is really a spectacular leader in her own right on them.

And so Noemi, I just wonder if you could share a few thoughts from your perspective?

MS. GALLARDO: Hi there, thank you so much. You're making me blush with all those very generous and kind words.

So everything I'm hearing here is music to my ears. And it makes my heart so happy that the Commission is so dedicated to ensuring that we do put an equity lens.
on all of the efforts that we've got. And I think the
DACAG has been really helpful to us. You are one of our
North Stars, I'd say, and it's an advisory group, but
really they function as partners to us.

And I think one of the things I've been really
grateful for in seeing how the Energy Commission works, is
that we're very receptive to the input and the feedback and
the guidance that we get from the DACAG and our other
stakeholders. And because we're receptive I think it makes
it even more constructive, because it'd be easy just to get
the feedback and then not do anything with it, but it means
a lot to us and I love that we are all in on this.

So, Stan, thank you for being such a wonderful
partner to us. You and I were friends before we got into
these roles and I really appreciate the fact that we can
continue our friendship and our partnership through this
work on energy.

And I want to also emphasize that we are doing a
lot to advance the IDEA Initiative, which stands for
Inclusion, Diversity, Equity and Access, so I-D-E-A. We
had to have an acronym of course for this initiative and
you'll be hearing a lot more about it. I will speak to it
during our Diversity Report at the next business meeting
November 16th. And there's a lot you know a lot of us
investing a lot of time to ensure that we're doing our best
to advance these principles, both internally and externally through our programmatic work. So I'll leave it there.

Thank you so much to all of you for being such great leaders and just really appreciate being here and working with you on this.

CHAIR HOCHSCHILD: Well, thank you, Madam Public Advisor, you are making a big difference as are you, Stan, and all the rest of the DACAG. Let's keep at this and let's make some good things happen for the state in 2021 as we push ahead here.

Let's turn now to Item 3, Order Instituting Information Proceeding: Data and Information Collection for the Replacement Tire Efficiency Program.

MR. OLSON: Thank you, Chairman, my name is Tim Olson, Senior Policy Advisor in the Fuels and Transportation Division, and let's go to the next slide.

We are seeking your approval of this Order Instituting Information Proceeding as an effort to update information that could lead to tire efficiency regulations. Our previous studies, and those studies conducted by other countries and other organizations, indicate that the use of low rolling resistance tires, replacement tires, in passenger cars and light trucks will improve vehicle fuel economy. And result in significant public benefits, including the following things on this slide. Reduction in
greenhouse gas emissions may be in the range of 1 million metric tons of CO2 reduction per year. And if we achieve that, that would place this type of topic, this program in the top four or five California government interventions regarding transportation greenhouse gas, the reduction of those. Yeah, the greenhouse gases in that sector.

It's also worth noting that the South Coast Air Quality Management District has done some work indicating that tire efficiency could also reduce ozone forming tailpipe emissions.

The thrust of all this low rolling resistance tires is there's a fuel economy benefit of the vehicle that translates to lower fuel costs. And we also think that we have evidence that this enhances electric vehicle performance, particularly maximizing the range of the vehicle.

It's also worth noting that original tires sold in new vehicles are more efficient than normal replacement tires. This slow rolling resistance replacement effort would provide efficiency equivalent to the original tires. And we also think that this measure is a very affordable way for individuals to directly reduce greenhouse gas emissions. Many of you know you've purchased tires in the past, this is roughly in the range of $400 or $600 for four...
tires. You can pay up to $2,000 for a set of four. You can buy retread tires for a much lower cost, in some case under $100 for four tires. Let's go to the next slide.

So the Energy Commission has unique authority to adopt tire efficiency regulations in two primary areas. One of those is establish a tire rating system to offer consumers ways to compare tire efficiency and their purchase decisions. The second area is establish a minimum tire efficiency standard.

So a little bit of history on this, we initiated a tire efficiency program several years ago, completed tire testing, gathered information from the tire industry, evaluated tire labeling options and evaluated different elements to establish a tire efficiency standard. This work was paused in 2012 and California action was deferred to the federal government, specifically the National Transportation Safety Administration, Highway Transportation Safety Administration, to create a nationwide program at the same timeframe we were going through this process.

That agency, that administration, NTSA, referred to as NTSA, went through several steps in their regulation process, but suspended the rulemaking in 2017. So this OII provides a mechanism to update our information in a number of areas to help us consider how to proceed with
regulations. And some of those information gathering areas emphasize first, a look at what's happened in tire regulations throughout the world, particularly in Europe, Canada, and of course let's take a look at what's happening on the national level through NTSA.

And some of that look will examine tire rating, tire testing, tire efficiency standards, integration of tire efficiency with safety factors such as tread wear and wet traction. We want to take a look at evaluation of the tire market trends, turnover rates, what California tire sales include, what the existing adoption of low rolling resistance is today, the cost of the tires. And of course, things like tire recycling.

We also will be revisiting quantification of those public benefits I mentioned earlier. And examining methods to form consumer awareness programs. This also implies that we need to explore collaboration and a way to harmonize with the federal efforts and exchange information with other countries.

At the state level we will also do some coordination with CalRecycle, the California Air Resources Board, and other state agencies. Let's go to the next slide.

The OII will culminate in a staff report focused on two objectives: creating this tire rating system and
establishing the minimum replacement tire standards. We
will also, as I mentioned earlier, look at the -- will
provide recommendations on consumer awareness programs.
And we're also going to look at options to incentivize
efficient tire purchase.

Particularly one area we'll look at is examining
whether the low carbon fuel standard could be an incentive
option. As you know that low carbon fuel standard, LCFS,
is a life cycle. It covers the life cycle of
transportation options. Tires are one of those areas in
the life cycle, is the energy efficiency rating of the
vehicle. And right now tires have not been singled out as
part of that EER analysis. We want to look into that and
see whether that that LCSF can be a monetary benefit for
tire purchases. So let's go to the next slide.

And I'd like to thank you very much for allowing
us to bring this forward. We're looking for your approval
of this Order Instituting Information Proceeding and look
forward to that discussion.

I'm also joined by our co-leader Ken Rider, our
lead attorney, Renee Webster Hawkins, and our project
manager Sabastian Serrato to answer any questions you may
have.

CHAIR HOCHSCHILD: Thank you so much, Tim.
Let's go to public comment on Item 3 first.
MS. GALLARDO: This Noemi Gallardo, Public Advisor, we do not have any public comments.

CHAIR HOCHSCHILD: Okay. Let's turn to Commissioner discussion, Commissioner Monahan?

COMMISSIONER MONAHAN: Well, first I want to thank Tim. Tim has been a real leader in this space for a long time. He had to dust off some old documents to explore this topic. And he really has been helping us understand on the technical side, the political side and international side what's -- to ground at least the start of this Order Instituting Information Proceeding.

So I also want to thank Ken Rider. Ken was one of the keys to identifying and scoping out this this opportunity. He's got a long history in efficiency and he was like, let's take efficiency to transportation. And this will be the first time I think ever, is that right Tim, that the Fuels and Transportation Division is considering doing this type of proceeding.

MR. OLSON: Yes, it is.

COMMISSIONER MONAHAN: And this is something, you know, the Efficiency Division has a lot of expertise in this, so they're helping out. Thanks to everybody in the Efficiency Division, Mike Sokol, Christine Collopy, Corrine Fishman, others. We really appreciate the fact that this is a cross-agency collaboration. And the Chief Counsel's
Office, as Tim said Renee has been involved in helping us understand the legal lay of the land. There's a lot of coordination with the Air Resources Board since this is more their space than ours in terms of kind of understanding the issues at play. So it's a cross-intra and interagency collaboration I would say, just to explore where the data is, what the tire manufacturers are telling us. That there's a lot of information we need to collect just to better understand what the emission reduction potentials could be of replacement tires.

But, you know, this is a point when we've got to turn over every rock. Transportation pollution has been on the rise. It's our biggest source of greenhouse gas emissions, about half. And as Tim said this could be low-hanging fruit in terms of saving consumers money and helping reduce emissions. And even just getting the right information out there so consumers can make informed decisions is better than where we are today.

So I think also want to emphasize as Tim said, this could be really important for electric vehicles. They're heavier than conventional vehicle, so they have greater rolling resistance. So even, you know, in terms of increasing range this is a way that we could do it while saving money. So I think there's no downside to getting data in this space, so I'm looking forward. I hope others
agree that this makes sense to move forward on.

CHAIR HOCHSCHILD: Thank you, Commissioner I

apologize if I missed it. Tim, or Ken, can you articulate
the total greenhouse gas savings we could expect over time
from this?

MR. OLSON: Well, yeah. I'll go through this.

This is an estimate and so we have roughly 28 million
passenger vehicles and light trucks in California. The
historic turnover on tire replacement is about 3.5 percent
of that market per year. And I estimated that if we take
this, increase the awareness and basically go through this
regulation process. And we achieve maybe a third of that
turnover per year, that would equate to a million metric
tons per year of greenhouse gas emission reductions. And
if this action increases the uptake of low rolling
resistance tires it could be even greater than that.

And if you remember in our AB 32/SB 30 scoping
plan we've got to get to 68 million metric tons for the
fair share transportation area. Frame of reference, the
low carbon fuel standard is roughly about 5 maybe 6 million
metric tons reduction. And that's the top program in
Transportation in terms of reduction. So this is an
example as Commissioner Monahan said, of turning over
another rock and seeing what we can get out of this. And a
lot of this is going to be adoption rates, what's the
adoption of this, and are people aware of what are the
benefits of tire efficiency?

CHAIR HOCHSCHILD: Great, helpful.

Okay, let's go to Commissioner discussion, Vice
Chair Scott or anyone else? No comments?

VICE CHAIR SCOTT: No.

COMMISSIONER DOUGLAS: Sorry, this is
Commissioner, Douglas. I just wanted to say briefly, I got
a briefing on this from staff, which was very helpful. I
had the opportunity to work on this issue years ago with
Jim Boyd, and we took our best shot at it. And the Energy
Commission's had to come back to this issue a couple times,
because it's not easy. There are significant potential
gains here.

There's also been movement. There's been --
there was some movement at the federal level, although
that's stalled. And that's something we've got to keep a
close eye on with the incoming Administration in
particular. And then there's been movement internationally
and I'm hopeful that we'll learn about that there are some
clear opportunities and there's some potentially very good
data from some of that work.

So I fully support and endorse the idea of going
forward with an OII and gathering information on this
topic. And hopefully setting ourselves up for an
opportunity to put in place some very good efficiency rules that will help us reduce emissions on the transportation side.

CHAIR HOCHSCHILD: Great, thanks Commissioner.

COMMISSIONER MCALLISTER: Yeah. So thanks, I'm really happy to see this going forward, and thanks Commissioner Monahan, for your leadership, Time, Ken and the whole team there.

I have been -- so stakeholders have brought this to me a couple of times over the years that I've been on the Commission. And sort of similar to Commissioner Douglas within the Efficiency Division we couldn't just quite find the bandwidth to do it. I'm really glad to see this across divisional collaboration, because the opportunity was clear that it was there. But it was a little bit of a different neither fish nor fowl from the traditional way we do efficiency regs. And so I'm really glad to be building or kind of exercising this new muscle a little bit, because I think it'll pay off in the long term.

I also think that there's a tremendous benefit as there is in the appliances realm for other states to benefit from this. And to have some spillover effects much beyond California's border. So I think that's really great.
And then, you know, just the understanding of the marketplace, and in particular the educational impact of this when we actually turn around and systematize the information that's available to the world on this. Because if anybody -- I don't know if you've bought tires recently or if you've actually tried to find out, or ask your dealer, ask the person who you're buying the tires from, what's the rolling resistance? They have no clue as a rule, and so if you really want to actually play the role of an informed consumer, it's actually quite difficult. And so hopefully the impact of this can also be a sort of a broad socialization education effort where people understand actually what the products do and don't do and differentiation in the marketplace.

So I think there's a lot of potential upside to this. And I'm really glad to see it happening, so thanks to the team.

CHAIR HOCHSCHILD: Okay. Thank you, Commissioner.

Okay, Commissioner Monahan, would you be willing to make the motion?

COMMISSIONER MONAHAN: If I can get myself off mute I'm happy to do it. So I move to approve Item 3.

CHAIR HOCHSCHILD: Okay. Vice Chair Scott, would you be willing to second?
VICE CHAIR SCOTT: Yes, I will second.
CHAIR HOCHSCHILD: Okay. All in favor, Commissioner Monahan?
COMMISSIONER MONAHAN: Aye.
CHAIR HOCHSCHILD: Vice Chair Scott?
VICE CHAIR SCOTT: Aye.
CHAIR HOCHSCHILD: Commissioner McAllister?
COMMISSIONER MCALLISTER: Aye.
CHAIR HOCHSCHILD: Commissioner Douglas?
COMMISSIONER DOUGLAS: Aye.
CHAIR HOCHSCHILD: And I vote aye as well. Item 3 passes unanimously. Thanks, everyone.
MR. OLSON: Thank you.
MR. BOHAN: Great. Good morning, Chair, Commissioners. This morning staff would like to provide you with an overview of the topics we've been considering for the 2021 Integrated Energy Policy Report. The formal scope is going to take place a little bit later this year in December. This morning we just want to invite your input on the main topics we're considering before we move to the formal scope.
As you know, as we speak, we're still finalizing the 2020 IEPR Update that focuses on decarbonization of one
of the most important sectors, which is transportation.

And so my colleagues this morning are going to briefly
describe each of the four topics we're contemplating for
2021.

Briefly, the first is reliability. It is
paramount that we work with our sister agencies to do
everything in our power to avoid electricity interruptions.

Second is SB 100, our SB 100 work has revealed
that achieving 100 percent carbon free electricity is
achievable. And it's also revealed that we will need
substantial new electricity resources in the coming years
to meet our goals.

The third topic is building decarbonization. And
we want to focus on how all of our different building and
decarb efforts work together to reduce GHGs from the
building sector.

And finally natural gas, as California continues
to decarbonize its economy through electrification of end
uses, increased use of RNG, hydrogen and other fuels, it's
essential to comprehensively discuss the strategy
transition away from fossil natural gas.

And finally, as we heard earlier, we need to
listen to DACAG and others and be mindful of how our
activities impact low-income customers and disadvantaged
communities. And as the Commissioners pointed out, this is
a must have, not a nice to have.

I expect you'll have comments and questions, so I've asked each of my colleagues to be very brief. Siva Gunda will be our first presenter.

MR. GUNDA: Yep, thank you, Drew.

If I can ask the slides to be moved a couple, to the next one, please?

Thank you Chair, Vice Chair AND Commissioners, the current slide provides a summary of the three contributing causes that CPUC, CAISO and CEC collectively identified in the Preliminary Root Cause Analysis that was published in October, as having led to the outages in August. And first, the very first chart you see there, the existing liability planning processes are not designed to fully address an extreme heat storm like the one experienced in mid-August. CPUC's audit process currently plans for one-in-two demand with a 15 percent PRM or Planning Reserved Margin. And we have experienced a demand way past that, because of the heat storm we experienced.

Second is the deficiency in planning, which is essentially saying that as we are transitioning to a reliable clean and affordable resource mix, planning targets have not kept pace to lead to sufficient resources that can be relied upon to meet demand in the early evening hours, not just the peak hours. As you see in the second
chart there the outages actually occurred during the net peak times and not the peak times. This makes balancing demand and supply more challenging. These challenges were further amplified because of the heat storm that we've experienced. As seen in the second chart, again pointing out that really the outages actually occurred at the net peak hours and not the peak hours.

Finally, the third chart in there just points to some of the market practices and deficiencies that occurred in the day ahead energy market. And this has since been addressed by CAISO and they're continuing to work on, as a part of the recommendations. But the first two of these three causes are part of active investigation and assessments for CEC moving into 2021. The data request -- move to the next slide, please?

So as part of the preliminary root cause analysis we've developed a bunch of recommendations collectively. And the recommendations fundamentally fell into four categories, so ensuring emergency procurement to ensure that we have a liability in summer 2021, if we were to experience a similar heat storm again.

And second, improve situational awareness by developing a variety of assessments that will actively inform the decision makers and the planning agencies to adequately consider the needs of resource adequacy.
Third improve communications protocol to make sure that all three agencies as well as the state as a whole is on alert. If we were to forecast an event like the one that we experienced in August or September to occur with adequate time to react to it.

And finally, as we found out what are the issues with the market practices and continue to enhance them.

The CEC has an active role in the first of the three bullets that are mentioned here. CEC committed to developing a statewide summit assessment by April 2021, providing an assessment of resource efficiency for summer of 2021.

CPUC in its proposed OAR due to be voted on November 19th, aimed to identify and execute all actions within its statutory authority to ensure reliable electric service in the event that an extreme heat storm occurs in the summer of 2021. Noted that if the CEC develops a summer assessment report before the summer of 2021 the data from this report could be used to revise the resource adequacy procurement requirements.

The summer assessment will be a springboard to augment, expand, and revise analytical products aimed at assessing statewide and required resource sufficiency in the (indiscernible) timeframe for resource adequacy 10 years ahead framework for transmission planning. And the
25-year time horizon, which is the SB 100.

A critical element of the planning processes moving forward into 2021 is really the harmonization of these different aspects and ensuring that reliable, clean and affordable electricity is available for the state.

With that I will pass it on to my colleague, Terra, to discuss the continued work in SB 100.

MS. WEEKS: Great, thanks Siva. So next slide please?

And I'll start by saying that the analysis we did for this SB 100 report is just the first step in the modeling process and will be fine-tuned to reflect reliability considerations as well as land use planning and a number of other factors.

But what we did get from this year's analysis is directional insight into the amount and types of resources that will be needed to implement SB 100. And so what we're projecting is an approximate tripling of the current electric grid in terms of in-state resource build out. And I'll point out that this is driven by the requirement to switch to clean energy resources, but also overall increases in electricity demand and electrification trends, including transportation.

So what you can see here on this slide is that this will require sustained record setting build rates for
new generation. So on the left here are historic build
rates for solar, wind and battery resources. And these are
on average about one gigawatt for solar, 330 megawatts for
wind. And in the storage build that has been fairly
minimal historically.

And the single largest build out year for solar
is about 2.7 gigawatts. And about 1 gigawatt for wind.

And so now, looking ahead to our projected 2045
portfolio under the high electrification assumptions that
we're looking at needing average build rates that are equal
to those max levels for solar and wind every year for 25
years. And this annual storage build out -- and the annual
storage build out is projected to be somewhere around 2
gigawatts per year.

So even if these numbers change somewhat due to
new storage or flexible generation options that can impact
what a 2045 portfolio might look like we are directionally
still expecting an incredibly high new resource build out
needed over the next 25 years. So this is a major topic
for consideration in upcoming IEPRs. And with that, I will
hand things over to Bryan Early to talk about building
decarb.

MR. EARLY: Thank you, Terra. Next slide, please? There we go.

Hi, everyone. I'm Bryan Early with Commissioner
McAllister's Office. I'm here to briefly discuss our plans for building decarbonization and the 2021 IEPR. There are many pieces of statute that govern the Energy Commission's work on buildings. A central goal of the 2021 IEPR will be the scope out a pathway to help ensure that these disparate buildings activities are all working with building decarbonization as a primary objective.

In this way, a 2021 IEPR will help provide a unified pathway for building decarbonization while satisfying the Energy Commission's buildings statutory requirements. Central to this work will be continuing the analysis called for by Assembly Bill 3232. AB 3232 required the CEC to assess the potential of achieving a 40 percent reduction in GHG emissions and buildings by 2030. The Energy Commission intends to publish a draft of this report next month, and to follow up with a final report early next year.

To satisfy AB 3232 Energy Commission staff conducted a cost assessment of building decarbonization strategies that took into account both supply and demand. These strategies included fuel substitution or replacing gas appliances with highly efficient electric appliances like heat pumps, space and water heaters, and induction cooktops.

This was the strategy found to have the most...
decarb potential at achievable costs: building and
appliance energy efficiency, rooftop solar, load management
or electric load flexibility strategies, a decarbonization
trajectory of the electricity system, and the potential for
the decarbonization of the gas system. IEPR 2021 will
continue to refine this analysis.

Additionally, IEPR 2021 will revisit Senate Bill
350's requirement that the Energy Commission periodically
update targets to achieve a statewide doubling of energy
efficiency by 2030. We'll be focusing on the extent to
which the trajectory to achieve the goal -- which when we
last conducted analysis in 2019 it was looking difficult --
could be changed for the better by taking into account the
efficiencies achieved by the fuel substitution called for
by AB 3232.

Additionally, we will continue our action
planning on how to achieve deep investments in existing
buildings, as called for by Assembly Bill 758 since
building decarbonization is primarily an existing building
problem.

For new buildings, the 2021 IEPR will help
summarize the Energy Commission's addition to decarbonize
new construction via the 2022, 2025 and subsequent new
building code cycles.

Lastly, we will be continuing our focus in the
2021 IEPR on electric load flexibility in buildings, both as a building decarbonization strategy, but also primarily as a grid reliability, and cost containment strategy.

Now let's turn it over to Courtney Smith to discuss the gas system.

MS. SMITH: Thanks, Bryan.

Another critical topic we propose be tackled as part of the 2021 IEPR is an exploration of the future of the natural gas system in California. California's ambitious clean energy and climate global goals are dramatically remaking our energy system here in California and our natural gas system is no exception.

In short, meeting the state's ambitious mid-century carbon neutrality goals cannot be done if we continue to use fossil natural gas into the future as we are today. As the state transitions away from fossil fuels, it's critical that we do so in a thoughtful strategic way. In a way that doesn't compromise reliability, that protects customers from avoidable cost increases, and that does not lead to the unfair burdening on some customers of the financial liability of the entire natural gas system.

We also have to ensure pipeline and system safety for workers and communities, especially in light of recent disasters that have occurred, including the 2011 San Bruno...
Pipeline explosion and the 2017 Aliso Canyon leak.

Recognizing the need for long-term natural gas system planning, the CPUC opened a proceeding at the beginning of this year to examine many of these issues and has recognized the need to coordinate their work with us. So to best position the CEC to collaborate with the CPUC, and to establish an evidentiary record to inform future CEC policy and programmatic decisions, we propose conducting a comprehensive assessment of the natural gas system as part of the 2021 IEPR.

This assessment will look at anticipated natural gas use in California, issues surrounding natural gas infrastructure, including how and where we appropriately downsize the distribution system, natural gas design standards to inform possible updates to protect safety and reliability. And it will look at the impacts this transition may have on gas prices and rates.

Through the CEC's robust public engagement process, we're confident we'll be able to help lead the state's efforts to transition away from fossil fuels in a way that's strategic and doesn't leave anyone behind. I'd like to now turn it over to Heather Raitt.

MS. RAITT: Thank you, Courtney.

And good morning Commissioners, I'm Heather Raitt, the Program Manager for the IEPR. I'll just close
by giving some more information about the schedule building (indiscernible) as already mentioned.

We will be posting a draft scoping order for the 2021 IEPR before the end of this calendar year. The public will have an opportunity to comment on it. Under the direction of the Lead Commissioner, we will carefully consider public comments received before releasing a final scoping order in early 2021.

I also wanted to mention that the schedule for the 2020 and 2021 IEPRs are overlapping. The draft 2020 IEPR update, which is being led by Commissioner Monahan also will be posted for public review next month in December. We will then develop the final report and consideration of public comments with possible adoption plans for March.

The schedule for the 2020 IEPR update is a little delayed, largely because we had to pivot to virtual workshops due to COVID-19. But as you can see on the slide, we were able to make the workshops engaging and we will likely continue to hold virtual workshops again next year.

I hope that clarifies the next steps. And with that I'll turn it over, back to Drew. Thanks.

MR. BOHAN: Thank you, Heather, and thanks Courtney, Bryan, Terra and Siva.
With that Commissioners, we invite you to share any thoughts you may have or ask questions of the team.

CHAIR HOCHSCHILD: Thank you, Drew. And let me just thank Heather and Courtney and Bryan, Terra, Siva, incredible work and just so fortunate to have all the talent that we do on staff to lead us through this.

So just to reiterate, I've asked Commission McAllister to be Lead on the 2021 IEPR. I will be Associate Commissioner, and I want to just give a special appreciation to Commissioner McAllister, because as I reflect back I've been now on the Energy Commission coming up on eight years in March. And every year I kind of look at the portfolio of each of the Commissioners and the workload. And you know, I usually look at it and say, "Oh, this is a big year for Commission McAllister." And it's sort of been that way every single year.

And this trend continues, because in addition to be willing to take on the IEPR for next year, Commission McAllister has been a fantastic help to me on SB 100 and on all our reliability challenges. As well as getting the build program up and running and supporting the Vice Chair in getting 841 up and going. And so I don't know how you do it, Andrew, but I just wanted to recognize the incredible work and thank you for taking on the IEPR, again.
COMMISSIONER MCALLISTER: Absolutely. Should I comment, is this my cue?

CHAIR HOCHSCHILD: Yeah, go ahead.

COMMISSIONER MCALLISTER: Well, thanks Chair and I mean yeah, totally it does -- I guess maybe that's I'm feeling a little bit overworked. Maybe, just a little bit.

But one of the great things about this job is that for those of us, you know, who have been so inclined -- and I've been an energy person since I took thermodynamics in college and just found that as my calling really -- and I know all my colleagues have some similar analogous story. But the ability to be at the Energy Commission doing this work is just an incredible gift.

And we have incredible stakeholders, we have a big state, and incredible this huge diversity. And lots of needs obviously, lots complexity. But that's where a rich environment, you know, a rich complicated petri dish is where life originates, right? So I think that's the beauty of working in California at this moment. And it has been over the last four years, particularly so. I think we've particularly kind of been singled out as a key place where innovation was critically needed, more so than ever.

Certainly, looking forward to having sort of broader partnerships in a thicker deeper network, you know, both within the state and particularly beyond the state's
borders. But yeah, thanks for trusting me with this IEPR. This will be my third IEPR. And this one in particular, I think the timing is quite is good. And I just wanted to make a couple of comments here.

First of all, I wanted to thank the staffs, Heather and her team of course, but all of the staffs that have informed the presentations that you just saw, the modules there that you just saw. But in particular the Assessments Division staff and the Efficiency Division staff. I think probably this IEPR will be a particularly heavy lift for EAD. And I just want to acknowledge all the work that they've been doing to prepare for this on the forecast, on getting our data ducks in a row, the modeling supporting SB 100, the natural gas work, which we've made a ton of progress kind of becoming subject matter experts in areas across the board in gas, electricity, planning, modeling.

That really those sharpened skills are going to come or are going to be critical for the IEPR this coming year. And so I'm excited to be leading it. It really is -- there's an incredible urgency and the various efforts that you just heard about are foundational to putting California on a firm decarbonization track. You know, the system level, the fuels and how we integrate the discussion across fuels instead of in silos. That really with fuels
substitution there's a lot of nuance to that appreciation. We're building the tools to actually quantify how that needs to move forward in terms of the interplay between fuels.

And so I think there's a -- and then the buildings, obviously we have the system level, you know, on the planning with ISO and the PUC procurement and transmission and reliability, which is incredibly foundational. Reliability is job one, all the way down to the buildings, individual buildings, devices within those buildings and the protocols that link the top to the bottom. And so that's how we're going to manage the grid for decarbonization and reliability. And so I think those themes will be stitched together through the process of this either in a way that will really last. I think it'll provide a great basis for the coming decades as we move towards 2030, 2045. So very looking forward to that.

I do want to make a point about natural gas. I want to sort of exhort us to extirpate the word "natural." You know, there are different flavors of gas and we need to be more precise. And so as sort of a best practice, I think there's fossil gas, there's renewable gas, there's synthetic gas, there's hydrogen gas, lots of different flavors of gas. Whether or not they're natural, I think increasingly a material and "natural" is kind of just an
imprecise word. So I want to kind of start thinking about
our terminology that we use, so we can be more precise.
And really understand the complexity that is emerging in
this arena.

So, yeah, I think the last thing I wanted to say
is just this is, I think, also a reflection of the fact
that the joint agency work is more critical than ever. So
it's certainly top of mind and functionally in place at the
100 for example. But and in the forecast, where we produce
the forecast and that the PUC and the ISO are consumers of
that forecast. But the iteration between agencies is ever
more fast.

You know, it's quicker every day and the
reliability discussions really forcing those together with
the ISO, the PUC, and the ARB to really keep in touch. And
so we're building tools that are going to enable that,
communications that are going to really I think
functionally enhance our relationship over time as well.

And the timing here is opportune, because with
the RA discussion certainly the three energy agencies
involved with that, the natural gas rulemaking at the PUC,
we'll be able to build on as Courtney said our discussion
in the IEPR for next year. And then beyond that the
scoping plan at ARB, so the timing, the sequential nature
of it is really important. So this work next year in April
will be foundational.

So anyway, I wanted to just highlight a few of those aspects of the IEPR. And why the themes that you just heard about are actually there, because they are really critical and they're time critical as well for moving forward in the broad decarbonization discussion in the state.

So thanks for entrusting me with that and I look forward to working with you all on it. So, and working with you, Chair.

CHAIR HOCHSCHILD: Thank you, Commissioner.

Comments from other Commissioners, Vice Chair Scott? Or yeah, Vice Chair?

VICE CHAIR SCOTT: I do. I do have some comments. I want to say again, thank you to Commissioner McAllister for his strong lead coming up on this next IEPR. It's a lot of critical topics, which as we all know are just important for the state. And thinking about how to accelerate the progress that we're making, so that we're able to stay under the 1.5 degrees warming. So that we're transitioning in a really smooth and smart way, is just incredibly important.

And I appreciate the presentation from the whole team, the thought and care that's gone into scoping out this upcoming IEPR. There's just so many critical pieces
that we need to think through and talk about right now. And so including the critical items for reliability and resource adequacy. And I think it's just a really -- we need to take a thoughtful look at our overall energy systems to truly understand the actions that we need to take to make sure this transition to a decarbonized world goes smartly and smoothly.

And one of the things that I think that is the power of the IEPR is the ability to bring together deep knowledge and expertise across the realms that we'd like to talk about. And also to have decision makers from across the state, and even we've often had federal folks sitting with us on the dais as well to really listen and hear this level of information. I mean, it's like PhD level information sometimes I think that we have at these workshops to really get everything on the table that we need in order to think through how to make a smooth, smart, fast transition.

So I appreciate the care that's gone into shaping the scope. And Commissioner McAllister, again, thanks for your upcoming lead on that. Anyway, I just wanted to weigh in briefly there.

CHAIR HOCHSCHILD: Thank you, Vice Chair Scott. Any other comments, Commission Douglas?

COMMISSIONER DOUGLAS: You know, I just wanted to
say that I appreciate the presentation. I think it was really great to just hear the thinking on some of these different topics. And I certainly think that these are the right topics for the Energy Commission to cover in 2021. I'm really glad to see it and I look forward to working with Commission McAllister, and the Chair, and really all of my colleagues as this process moves forward. So thank you.

CHAIR HOCHSCHILD: Thank you.

Any comments, Commissioner Monahan?

COMMISSIONER MONAHAN: Well, I was thinking that maybe Commissioner McAllister can also take over my transportation electrification portfolio, because I just think he doesn't have enough to do so. So yes, kudos to Commissioner McAllister for taking this on, and for his leadership broadly, and for the whole team. I agree these are the right set of issues.

I was really glad to hear Commissioner McAllister talk about the distinction of all the gases. I think it really is -- and I'm assuming that means that we're going to be looking more broadly at all the gas. Is that right, Commissioner McAllister?

COMMISSIONER MCALLISTER: Yeah. I'm definitely going to be starting the various -- you know there are different phases. So it's not all like lock step, but yeah
absolutely. We've got to start making those distinctions.

COMMISSIONER MONAHAN: Yeah, I mean think we have a shared interest in learning more about what is the role of hydrogen in our grid. And more broadly for urbanization beyond transportation, so I'm glad that at least we'll be starting to scratch the surface of that topic in this IEPR.

And I want to say, working with Heather and her team has been fabulous. That they really are tracking all this and making sure that we are, as much as possible, meeting our deadlines. It can be hard in the year of COVID to do that.

And I think we're finding that the remote -- at least in this last IEPR, (indiscernible) using new kind works. In some ways it works a lot better, so that people don't have to fly everywhere. We can reduce carbon emissions and be in our own homes with our dogs barking in the background. For good or for bad there's some benefits to being able to branch out to a broader set of stakeholders, when we are remote.

So I'm looking forward to the upcoming year and to all of the workshops.

CHAIR HOCHSCHILD: Thank you so much, Commissioner, and thanks to all the staff.

I believe, Linda Spiegel had a comment. Is that right, Noemi?
MS. GALLARDO: Yes, she has her hand raised. So let me open up her line real quick.

Linda, your line is open. Please feel free to speak.

MS. SPIEGEL: I'm sorry, that was an error.

MS. GALLARDO: Okay, thanks Linda.

CHAIR HOCHSCHILD: Well, Linda. We're always eager to hear from you whenever you have anything to say so.

Okay, this is a non-voting item, so we're not otherwise taking comments I believe. So unless there's a further Commissioner discussion let's move on to Item 5, West Coast Code Consultants, Incorporated. Chris Davis?

MR. DAVIS: I'm the Compliance Office Manager for Siting, Transmission and Environmental Protection Division. I'm here this morning to request approval of an agreement with West Coast Code Consultants, Inc. or WC3 are on-call (indiscernible) professional services.

Back in June the Commission released the (indiscernible) -- (audio cuts out.)

CHAIR HOCHSCHILD: I'm sorry, Chris. We're losing you, can you still hear us?

MR. DAVIS: I can hear you, am I losing my audio?

CHAIR HOCHSCHILD: You're fading in and out there and now you're on mute it looks like.
MR. DAVIS: There was just that it --

COMMISSIONER MONAHAN: Sometimes it helps, Chris, if you turn off everything that you're using on your computer that might be taking bandwidth.

MR. DAVIS: Okay.

CHAIR HOCHSCHILD: Maybe go, Chris if you maybe just go turn off your video and just go all audio that might help a little bit too.

MR. DAVIS: (Indiscernible) at my house for some reason. Is that better?

CHAIR HOCHSCHILD: It's a little better. Yeah.

MR. DAVIS: Okay, let's see, next slide please?

(Audio continues to cut in and out.)

MS. GALLARDO: Hey, Chris? We're losing you, are you on mute?

(Colloquy re: audio issues.)

CHAIR HOCHSCHILD: I'm going to make a suggestion, which is maybe, Chris, you call in to do it by phone without video. And in the meantime we go on to Item 6 and come back to this one?

Noemi, does that make sense to you?

MS. GALLARDO: Yes, that works. And we can have Patty and Stan reach out to Christ to help set him up.

CHAIR HOCHSCHILD: Yeah, let's do that. Chris, just stand by and we'll come back to you after we do Item
6. So let's move on to Item 6, City of Oakdale. Is Monica Rudman ready to present?

MS. RUDMAN: Good morning, Hochschild and Commissioners. My name is Monica Rudman and I am with the Renewable Energy Division and I'm here to present an agreement with the City of Oakdale for a $3 million ECCA loan.

The ECCA program is a long-standing successful program established in 1979 and provides energy efficiency upgrade loans to public entities like the City of Oakdale.

Next slide, please.

Benefits to California of ECCA loans may include improved health outcomes, especially for communities like Oakdale that are considered low-income disadvantaged communities. The project will also create construction jobs and economic benefits. This slide reflects Oakdale as a pollution burdened area according to CalEnviroScreen 3.0.

Next slide, please.

The City of Oakdale is proposing to finance this energy project using a $3 million ECCA 1 percent simple interest loan. Staff reviewed the supporting documentation and concur that the project is technically sound. The project involves adding solar voltaic systems to four sites. These are 115.2 kW AC carport system installed on an existing parking lot cover structures at the City Hall.
A 36 kW AC roof mounted system at the community center. A 27 kW AC roof data system at the senior center. And a 625 kW AC ground mounted system on an abandoned and unused retention basin at a wastewater treatment facility. Next slide, please.

The project is estimated to generate 1,644,860 kilowatt hours of electricity, resulting in projected annual cost savings of $180,772. This reduction in energy bills will benefit the City of Oakdale. The simple repayment terms on the $3 million loan is 16.6 years, well within the 20-year ECCA requirement. It's actually 17 years for the ECCA regular, ECCA-Ed would be 20 years.

Legal staff found this project exempt from the Environmental Quality Act. And Energy Commission staff recommend approval of this loan. Thank you for your consideration. And if you have any questions, I'd be happy to answer them.

CHAIR HOCHSCHILD: Thank you.

Let's see if there's any public comments on Item 6, before we go to Commissioner discussion.

MS. GALLARDO: This is Noemi Gallardo, the Public Advisor, there is no public comment.

CHAIR HOCHSCHILD: Okay. You said this is an ECCA, correct?

MS. RUDMAN: Yeah, ECCA regular loan.
CHAIR HOCHSCHILD: Well, let's go to Commissioner McAllister.

COMMISSIONER MCALLISTER:
Sure. Thank you, Monica, I appreciate that. And I don't have any particular comments about this, but I think your description of ECCA is an apt one. We all know it's very successful. And I think, you know, just by way of general comment about ECCA I think that this model and both our grant programs and our loan programs are going to really need to be amped up if we're going to do all the things we talked about earlier with the DACAG. And get to the billions of dollars into our existing building stock and across all building sectors, and so I think it's a model that that is replicable and scalable.

So it's really great to have it announced here, but I honestly support this project.

CHAIR HOCHSCHILD: Any other Commissioner comments before we vote for the item?

(No audible response.)

CHAIR HOCHSCHILD: Okay, hearing none, Commission McAllister, would you be willing to make the motion?

COMMISSIONER MCALLISTER: Yes, I will move this item.

CHAIR HOCHSCHILD: Commission Douglas, would you be willing to second?
COMMISSIONER DOUGLAS: Yes, second.

CHAIR HOCHSCHILD: Okay. All in favor say aye.

Commissioner McAllister?

COMMISSIONER MCALLISTER: Aye.

CHAIR HOCHSCHILD: Commissioner Douglas?

COMMISSIONER DOUGLAS: Aye.

CHAIR HOCHSCHILD: Vice Chair Scott?

VICE CHAIR SCOTT: Aye.

CHAIR HOCHSCHILD: Commissioner Monahan?

COMMISSIONER MONAHAN: Aye.

CHAIR HOCHSCHILD: And I vote aye as well, so that it passes unanimously. Let's return to Item 5 and see Chris Davis is ready to present to us by telephone.

Chris, are you there?

(No audible response.)

CHAIR HOCHSCHILD: Drew had texted me that he's available to present the item if Chris is not. Drew, would you like to take this one?

MR. BOHAN: Yeah, happy to do so why don't we go to the next slide. And I think Chris talked about this. Let's go to the next one.

So this was a competitive process where we select DCBO and their job is to make sure that the power plants that we license are certified properly. So the list, you see before you are the things that the power plants are
required to comply with. So obviously all the conditions
of certification imposed by you, when you vote all LORS as
we call them, Laws Ordinances Regs and Standards. And of
course other applicable law, including the Warren-Alquist

The DCBO that we will be hiring, WC3, supports
all 79 facilities in the state. And there are work
authorizations that we utilize to have them do particular
work in any one of those when the need arises. And as you
see here, there are a number of particular ones that have
that are listed here. But it varies year to year. Next slide.

And with that, we just ask that you approve this
contract. Thank you.

CHAIR HOCHSCHILD: Can I just ask a question?

You know, when we contract out something like this what is
-- and if Sean is online maybe he'd to speak to this, or
Commissioner Douglas, just in terms of what we believe we
can do effectively in-house versus contracting out? Just
the thinking on the skill sets there.

COMMISSIONER DOUGLAS: You know, if Sean's on he
can take this, but I can speak to it as well. So Sean turn
on your video if you want to speak to this.

I think, you know, one of the benefits of the
DCBO contract is that we can very quickly act on amendments
or emergency compliance issues such as when some facilities were affected by fires, for example. And we need to get somebody out there quickly or we need to do code compliance. You know, a lot of these jurisdictional power plants are all over the state. And so the DCBO is somebody who will most likely be on site and will sometimes make multiple site visits or personally supervise aspects of construction, for example, or demolition or whatever the case may be on site.

So I think there's a lot of efficiency in having a contract, so that we can have quick access to resources to do that. But I will ask Chris, I see he's back on if he wants to address that question.

Chris, did you hear the question?

MR. DAVIS: Yeah, DCBOs provide services that we don't have at the Commission like reviewing the plans for power plants. And those include all kinds of things like for earthquake safety, so that they have engineers that review the plans. And they also have inspectors that are out there and make sure that each step of the construction is done according to the California Building Code.

And so those are very specific skill sets that the Commission doesn't have. And it's one of those kinds of things where there's a need and then there's not. And so it's hard to keep a group of people on staff with all
those skill sets that we need to conduct this function.

CHAIR HOCHSCHILD: Great, thank you.

MR. DAVIS: Does that answer your question?

CHAIR HOCHSCHILD: Yeah, that's very helpful and makes perfect sense to me.

So let's go to public comment on Item 5. Madam Public Advisor do we have anyone wishing to make public comment on this item.

MS. GALLARDO: Yes, this is Noemi, the Public Advisor. We have one person on the line for comment. That is Chris Kimball, Vice President of West Coast Code Consultants.

MR. KIMBALL: Yeah, hi. Can you hear me?

CHAIR HOCHSCHILD: Yes, we can. Good morning.

MS. GALLARDO: Yes, we can.

MR. KIMBALL: All right, good. Thank you. Thank you, I appreciate this opportunity is to speak, but I just wanted to say we had a previous contract (indiscernible) on-call DCBO work for the CEC. And we really, really enjoyed it. We've worked with the CEC as the DCBO on a lot of projects throughout the past decade or so, and really, really enjoyed the energy work.

And just to let you know a little bit about it. We do have -- we have offices in Northern California and Southern California. And have qualified inspection staff
that have experience on energy projects. So that we can quickly go to a lot of these sites that occur throughout the state.

And as Chris Davis was saying, it is it is hard to have all of the required qualifications to review these grants. To make sure not only are they meeting the Conditions of Certification, but also all the laws ordinances regulations and standards. And then the same thing with inspection staff. And so it's very hard to do that.

When we do it we, if there's a plan review that we have to do to issue permitted documents before inspections occur, we break it up by discipline. Where you'll have a licensed structural engineer Look at the seismic items like Chris mentioned. You'll have a licensed electrical engineer looking at their specific scope, mechanical engineer, or a certified accessibility specialists and things that look at their specific scope.

And it really does vary what the needs are. It's like Chris said, in the previous three-year contract there wasn't a lot that we did the first year-and-a-half. And like this last year that there's actually been quite a lot of work that's been occurring on these on-call projects. And you just never know when they're able to do it and you have to be able to just go at a moment's notice to assist.
And because we have offices and people located assisting a lot of jurisdiction throughout California, we're able to go and hit these spots as needed.

But we love working for the Energy Commission, and we really look forward to continuing to do so.

CHAIR HOCHSCHILD: Well, thank you.

Unless there's any other public comments, let's move on to Commissioner discussion, Commissioner Douglas?

COMMISSIONER DOUGLAS: I just want to say I definitely support this item. It's a very important part of allowing us and enabling us to fulfill our obligations efficiently and quickly. And so I recommend it for everyone's support here.

CHAIR HOCHSCHILD: Okay, any other Commissioners wishing to make comments on this item?

All right, hearing none, Commissioner Douglas, would you like to make the motion?

COMMISSIONER DOUGLAS: Yes, I move approval of this item.

CHAIR HOCHSCHILD: Okay, Vice Chair Scott, would you be willing to second?

VICE CHAIR SCOTT: Yes. I second.

CHAIR HOCHSCHILD: Okay, all in favor, Commissioner Douglas?

COMMISSIONER DOUGLAS: Aye.
CHAIR HOCHSCHILD: Vice Chair Scott?
VICE CHAIR SCOTT: Aye.
CHAIR HOCHSCHILD: Commissioner McAllister?
COMMISSIONER McALLISTER: Aye.
CHAIR HOCHSCHILD: Commissioner Monahan?
COMMISSIONER MONAHAN: Aye.
CHAIR HOCHSCHILD: And I vote aye as well. That item passes unanimously thanks to all the staff.

Let's move on now to Item 7, Frito-Lay, Incorporated.

MR. UY: All right. Greetings, Chair, Vice Chair and Commissioners. My name is Kevin Uy and I'm with the Energy Research and Development Division. Staff is providing a presentation on the Food Production Investment Program, followed by a recommendation to approve one award. This presentation summarizes the results of the Food Production Investment Program over the past two years. Next slide, please.

The Food Production Investment Program or FPIP funds drop-in and emerging technologies at food production facilities in California. FPIP is part of California Climate Investments, a statewide initiative that puts billions of Cap and Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment, particularly
in disadvantaged communities. Next slide, please.

California is the largest food producer in the US with over 5,700 facilities. Food production is a key economic sector in California and contributes $82 billion annually to the economy, provides 198,000 direct jobs and 562,000 indirect jobs.

Food production is also a large contributor of greenhouse gas emissions, with about 3.2 million metric tons of CO2 equivalent emissions per year. Next slide, please.

Scoping of the FPIP program was done in collaboration with key stakeholders. Before the program started a working group was created, which included public agencies, utilities, researchers, trade organizations and most importantly food producers. On this slide, you'll see the list of organizations represented in the working group.

In addition to public workshops, several working group meetings were held to get feedback on the program as it was formed. The result was a program, which was easy to apply to, conforms to the seasonal schedules of food producers, and provided funding for what they needed most, implementing modern technologies. In essence, FPIP was designed by food producers for food producers. Next slide, please.

This slide shows a map of FPIP project locations.
including Tier I and Tier II projects. Tier I provides funding for drop-in technologies such as boilers, compressors and refrigeration systems while Tier II provides funding for emerging technologies such as micro grids, solar thermal, and electrification technologies. 87 percent of FPIP projects are located in and benefiting disadvantaged and or low-income communities. Next slide, please.

FPIP funding has gone to a variety of facilities including animal feed and ethanol, beverage breweries and wineries, dairy processing, prepared food, meat and rendering and fruits, vegetables and nuts. The number of awards each type of facility are provided on this slide. Next slide, please.

This slide shows FPIP by the numbers. FPIP is allocated $111 million across for 4 funding opportunities to 45 projects, resulting in about 152,000 metric tons of CO2 equivalent annual emission reductions. That's equivalent to removing 33,000 passenger vehicles from the road. Next slide, please.

As previously mentioned FPIP is part of California Climate Investments. Updates on FPIP and other CCI programs can be found in the CCI Annual Report to the Legislature. The 2020 report was published in April. On the left, you'll see the title page. In the middle is the
FPIP summary page. And on the right is a profile write-up for one of our projects at the SUN-MAID raisins facility in Kingsburg. Next slide, please.

I will now present the recommended award. Next slide, please.

So first, why are micro grid systems beneficial to food production facilities and to California? First, planned and unplanned outages result in significant financial and product losses for California food producers. When they occur it is common for facilities to lose one or more days of production.

Second, solar micro grid systems provide not only operational security, but a renewable alternative to diesel backup generators.

Finally, battery energy storage systems provide cost savings and resiliency to the customer, while also providing support to the grid through strategic dark charging and discharging. Next slide, please.

The proposed project would fund design, installation and operation of a micro grid system at Frito-Lay's snack food manufacturing facility in Rancho Cucamonga. The system will consist of rooftop and carport mounted solar PV panels and a micro grid controller both provided by SunPower. And a battery energy storage system provided by Tesla.
The micro grid will be capable of operating an island in mode to provide power to critical loads for up to six hours. The system will produce approximately 35 megawatt hours of renewable electricity, and reduce facility greenhouse gas emissions by 850 metric tons of CO₂ annually.

Finally, I'd like to note that although this is the final FPIP from the previously released solicitations, staff does plan to release a new FPIP solicitation later this month using funds from previously cancelled projects. That solicitation will be in the amount of $7 million and will fund Tier I drop-in technologies only. Next slide, please.

Staff recommends approval of this award, as well as staff determination that this action is exempt from CEQA. I am available to answer any questions you may have.

In addition, Frito-Lay has prepared a written response that they would like read into record. Thank you.

CHAIR HOCHSCHILD: Thank you so much.

All right, let's go to public comment, Noemi?

MS. GALLARDO: Yes, we have one comment from Frito-Lay, which I will read now.

"Frito-Lay, a division of PepsiCo, is dedicated to sustainable business practices. As a global food and beverage leader we have a responsibility to help build a
resilient and sustainable food system, including driving
the systemic change needed to address the challenges we are
all facing.

"From the way we source our crops to the energy
we use in creating and distributing our products, we are
taking action throughout our global value chain to drive
down emissions. This includes spurring the use of
renewable electricity like wind and solar, both in the US
and around the world.

"The proposed micro grid and battery storage
project at the Frito-Lay plant in Rancho Cucamonga,
California is part of our sustainability journey. The
project will leverage roof mounted and carport mounted
photovoltaic panels to offset approximately 15 percent of
the plant's current electric grid purchased electricity
consumption of 25,433 megawatts per hour a year with a
sustainable and renewable alternative. Installation of
this technology will reduce the facilities greenhouse gas
emissions by 868 metric tons or the equivalent of 188
passenger vehicles driven for one year.

"In addition, this project will include a battery
energy storage system that enables optimal demand
management capability to reduce plant load during on-peak
hours, while also providing an operational resiliency
during times of power disruption. This is an incredibly
valuable tool, which will allow critical plant distribution
operations to run through unplanned power outages thereby
minimizing the impact on our customers.

"This project is another meaningful stride in
PepsiCo's ongoing commitment to source 100 percent
renewable electricity for company owned and controlled
operations by 2030. And across all operations, including
franchised and third-party operations by 2040."

That concludes the comment.

CHAIR HOCHSCHILD: Thank you, Noemi.

Let's move on to Commissioner discussion, Vice
Chair Scott?

VICE CHAIR SCOTT: Yes. Well, this really is an
exciting project. I want to say thank you to PepsiCo and
Frito-Lay for sending in a statement for us to hear about
how excited they are also about carrying out this project.
And a big thanks to Kevin and the rest of the FPIP team. I
really appreciate the FPIP refresher for us, because it has
been a little while since we've done a few of those
projects.

This project, to me, is a really exciting
project. You heard all of the details about it, but just
two things that I would really like to highlight for you.
One is that we will in learn how to install this kind of
project in a facility that basically works 24/7. They're
only off maybe one or two days out of an entire year. So how you get upgraded technology, and more efficient technology, into an operation that's running 24/7 will be a really interesting piece of data that we can bring out of this. And talk to other folks who also have these kind of types of 24/7 365 types operations, you can be able to upgrade efficiently and effectively.

And I also think, and you heard a little bit about this both from Kevin and in the PepsiCo comments, the ability to take this and replicate it across the industry is huge. And so like so many of these projects, I'm already waiting to see what it looks like when it's finished. And then be able to take the good word onto the road, so that others are able to incorporate these technologies and save energy, which of course then saves greenhouse gases. And oftentimes, saves water in these projects as well.

So with that, if there are no other questions or comments, I would move approval of Item 7.

CHAIR HOCHSCHILD: Thank you.

Any other comments from the other Commissioners?

Okay, Commissioner Douglas, would you be willing to second?

COMMISSIONER DOUGLAS: Yes, second.

CHAIR HOCHSCHILD: All right, all in favor say aye. Vice Chair Scott?
VICE CHAIR SCOTT: Aye.
CHAIR HOCHSCHILD: Commissioner Douglas?
COMMISSIONER DOUGLAS: Aye.
CHAIR HOCHSCHILD: Commissioner McAllister?
COMMISSIONER MCALLISTER: Aye.
CHAIR HOCHSCHILD: Commissioner Monahan?
COMMISSIONER MONAHAN: Aye.
CHAIR HOCHSCHILD: And I vote aye as well. That item passes unanimously.
Let's turn now to Item 8, approval of the October 14th, 2020 Business Meeting Minutes.
Any public comments on this?
MS. GALLARDO: This is Noemi Gallardo, the Public Advisor, no public comment.
CHAIR HOCHSCHILD: Okay, let's move to discussion. Can we have a motion, Vice Chair Scott?
VICE CHAIR SCOTT: Yes, I move approval of the minutes.
CHAIR HOCHSCHILD: Okay, Commissioner Douglas, are you willing to second? Commissioner Douglas?
COMMISSIONER DOUGLAS: Yes, sorry. Sometimes my screen disappears and I have to find it again in order to find my mute button. Yes, second.
CHAIR HOCHSCHILD: This is our new Zoom world here.
All in favor say aye. Vice Chair Scott?

VICE CHAIR SCOTT: Aye.

CHAIR HOCHSCHILD: Commissioner Douglas?

COMMISSIONER DOUGLAS: Aye.

CHAIR HOCHSCHILD: Commissioner McAllister?

COMMISSIONER MCALLISTER: Aye.

CHAIR HOCHSCHILD: Commissioner Monahan?

COMMISSIONER MONAHAN: Aye.

CHAIR HOCHSCHILD: And I vote aye as well. Let's move on to Item 9, Lead Commissioner or Presiding Member Reports. Let's start with Commissioner Monahan.

COMMISSIONER MONAHAN: Well, I wanted to start just by saying something, which I think is shared among all the Commissioners, which is this real deep appreciation for how the CEC is turning its attention to equity inside the organization and outside the organization. And I think that Stan and the DACAG presentation is an action of some of our work outside the agency.

But internally I just was really touched by the diversity celebration that Noemi and other members of the Idea End Group (phonetic) helped pull together. And if you haven't seen it, Courtney, I mean carousel singing at the end was pretty -- will bring tears to your eyes.

And just this idea that this is an area that never arrived at a perfectly equitable fair system, but we
have to strive for it. And recognizing especially I think of the issues around racial justice over our country's history and it's just really important that we as an organization, just always strive to do better. And I feel like we're doing that.

And I want to give the Chair recognition for the speaker series. I mean, it's really been phenomenal and again has brought equity to the forefront in helping us wrestle more with what does it mean to tackle these really challenging issues? And really critically important to make sure that we are a fair organization and we're creating a fair society going forward. So I just want to say thank you to everybody that's been involved in this. There's a lot of folks involved in the IDEA N and the IDEA X. (phonetic) And I know there's a lot of interest within the CEC staff. And participating in this I just feel really good about the fact that we are taking this on. So thanks to everybody who's been involved in in that.

So I also wanted to just touch on the fact that we're exploring securitizing The Clean Transportation Program, which if you are like me and you didn't know what that meant at first is basically means moving monies forward that you would otherwise be spending at a later date. And the Chair has really been pushing us to look more creatively at how we can help implement the Governor's
executive order on electric vehicles.

And looking at creative financing, that's all part of that. So GO-Biz has been really helpful. And Dan Adler, in particular, has been a thought leader on this and Hannon Rasool is leading that work within the Fuels and Transportation Division. And he's really taking this on in a really thoughtful way with other team members, so I don't know where we're going to land on that. But I think this exercise is really important. And I think we're learning new things about what we can and cannot do. So hopefully at a future date we can either share that with you or you all can reach out to Hannon on your own. But it may be something eventually we want to bring to a business meeting just to socialize what we're learning.

And in that same space the CPUC, Commissioner Shiroma reached out to Commissioner McAllister and me about participating in OIR on financing. So basically, it's going to be examining options to assist electricity and natural gas customers to decrease energy use, reduce GHGs, and use creative financing to be able to do that.

I would say like us, everybody's trying to figure this out. And they engaged members of the Air Resources Board, GO-Biz, the Office of Planning and Research to help brainstorm ideas. They want to have a kickoff in Q4 with a workshop on this topic. And Commissioner McAllister and I
decided that, because of PK (phonetic) issues we wanted to be like super sensitive and err on the side of caution and not have both of us. So I guess I don't know if I drew the big straw or the short straw at this point, so there'll be more on that agency collaboration.

And lastly we're in the midst of trying to get -- on the staffing side we're in the midst of trying to get another executive fellow. We had a rock star last year with Pilar Manriquez, who is now actually at the CEC. And we're looking to have another executive fellow continue the work that Pilar started on equity and other issues around the (indiscernible) program implementation. So fingers crossed, we'll know today and that's it.

CHAIR HOCHSCHILD: Thank you, Commissioner.

Let's move on to Vice Chair Scott.

VICE CHAIR SCOTT: All right. Hello, can you hear me?

CHAIR HOCHSCHILD: Yeah.

VICE CHAIR SCOTT: I don't see myself popping up. Okay. All right, great. Well, I had a couple of things that I wanted to speak with you all about. I wanted to echo what Commissioner Monahan said about our diversity celebration. I thought it was really wonderful and I appreciate the heartfelt stories that we heard from our staff as part of that. And really the whole celebration of
diversity, just it was very meaningful. There were points in time where I had tears in my eyes and I'm sure that others did too.

And it really is one of those things that gosh you want to do in person, because you just want to hug everybody and celebrate being together. But it was nice to be able to celebrate ourselves over Zoom in that way. So my kudos to everyone for putting that together and making it such a meaningful part of our conversation.

I also had a chance to speak at the Bay Area Air Quality Management District's Cleantech Marketplace Conversation. And that was really awesome. It was just a chance to highlight how investments from the state, and also investments from local can really help move clean technologies in any of the areas where we are trying to decarbonize.

I was joined by Kate Gordon from OPR and a few others on that excellent panel and enjoyed the ability to highlight the EPIC Program and Peer Natural Gas (phonetic) as well as FPIP. And how these investments that the state makes really can unleash and unlock private capital, and can also accelerate how we're moving in the -- how quickly we move in the clean tech space. That was a fun opportunity. I appreciate the Bay Area for reaching out and inviting me to be part of that and then
And then I really wanted -- believe it or not, it feels like our last business meeting was just the other day. But also, like many moons ago. In between our last business meeting and now we have done the EPIC Symposium, the EPIC Symposium was three days: October 19th, 20th and 21st. And I thought that it was just really well done. We had all kinds of high caliber speakers.

And I wanted to give you some numbers that the consultant shared with me. We had almost 1,700 registrants for the EPIC Symposium, which is fantastic. On the days we had about 975 people who were actually attending and listening. The exciting difference between the attendees and registrants is people have signed up after the symposium, so that they can get access. You just have to sign up, but then you can get access to all of the data and material and information and watch the videos. And so it's exciting that there's that much momentum behind it, so many more people excited to see what we were talking about.

We had more than 92 speakers and so I really want to say thank you to everyone who took the time to provide their expertise and lend their knowledge and really helped make the EPIC Symposium exciting. It was more than 15 hours of content. All of you helped participate, so thank you so much for that.

We had Governor Newsom as well, which I thought
was just a really exciting treat and so thankful that he
would take some time to join us for a few minutes there.

And I want to send a shout-out to the CEC team.
I'm going to read the names in by first name alphabetical
order. So I want to say thank you to Eric Stokes, to
Katrina Leni-Konig, to Lori ten Hope, to Linda Spiegel, to
Lindsay Buckley, to Maggie Deng, to Mona Badie, to Rachel
Salazar and to Rhetta DeMesa. There's lots of folks who
worked on this together. But this was kind of the core
team that did a lot of the planning and a lot of the
outreach, the day-to-day work with our consultants. And I
really appreciate the great work that they did to put
together a fantastic EPIC Symposium.

You can imagine us in February or March, where we
were all just about to go for the in-person one in April
and then figuring out how to pivot, what kind of technology
can you use to do a meeting where you've got 1,000 people
wanting to participate. And getting that pulled off by
October was just really impressive. And I really -- my
heartfelt thanks to the team.

And with that, I might just close by saying also
I want to say thank you to the entire Energy Commission
staff across every group that we work with, for the
continued excellent work. I know the shift to telework and
working from home is a challenge. And it's a challenge
each and every day. But people I think have really stepped up. We're doing a great job.

I think folks around the state government, and also the people that we work with, are pleased with the work that the Energy Commission is doing. And the way that we're engaging with folks in a way that continues to be accessible and transparent in this virtual world. And I know that that's due in no small part to everybody kind of rolling up their sleeves and putting in some extra hard work. And so I do appreciate that. And I want to make sure everyone across our staff knows how much we appreciate the work that they do.

So with that, thank you.

CHAIR HOCHSCHILD: Thank you, Vice Chair Scott.

Let's move on to Commissioner McAllister.

COMMISSIONER MCALLISTER: Great. So yeah, just briefly, it feels like it's been a while since the last business meeting, but it hasn't actually been that long. But I guess just highlighting so much speaking. There's so much interest in what we're doing I think we're all getting way more requests to speak than probably we can even do.

But there's a lot of interest in how we're weaving together all these narratives and certainly supporting reliability, the Root Cost Analysis, and the follow on work from that. And in my world obviously the
buildings and the load flexibility is something whose time has arrived really. And kind of trying to make sure the messaging around that is clear and as concise as possible, even though it's a little bit of a complex issue. So getting upcoming actually talking to the Demand Management Council and a number of other groups about that. Both national and international actually, there's lots of interest in that, so that's good to see.

I think a lot of light bulbs are going on across the globe that grid management is something that we can really modernize and bring into the 21st century, so it's pretty excellent.

Other than that, I think I have just a bunch of thank yous. Our staff is working so hard and so well. And, you know, for me that means the big lift right now, or one of them, is the Title 24 Update for 2022. There's just a massive effort in the Building Standards Office. My Advisor, Bill Pennington, has just been critical as well: Mazi and Payam and then the whole team in the Building Standards Office. Will DeSent (phonetic) who's the new office manager has really stepped in and gotten both feet wet right from the beginning. So I want to just call out that team.

The 3232 team, Mike Sokol who is the Lead of the Efficiency Division, and just various strands within the
Efficiency Division, Jennifer Nelson and others there. And then also coordinating with the Assessments Division on the analysis of the building decarbonization, so with Siva and his team and Matt Caldwell and his team.

It's really a lot of a lot of innovative work. It's plowing new ground. And so it has a little bit fits and starts, but that's all that learning and it's about figuring out how to do things better. So I really appreciate everyone's volunteerism there.

And then the Title 24 data update. We had a workshop in the last couple weeks, a couple workshops about that actually recently. And that is critical for sort of keeping Commissioner Monahan's data comments earlier in the meeting today, keeping that data flowing and sort of formally supported by our regulations in all of our different realms. It really touches all of us and is really foundational work and keeping our I's dotted and T's crossed is really critical. So the Legal team and all the staff involved with that just thank you.

And finally I think I wanted to just thank my office. Bryan and Bill and Fritz have just been running themselves ragged keeping up with everything. And I think with COVID, being nimble in our communications is more critical than ever obviously. And they've just done a massive, magnificent job really with that. So I want to
just thank all three of them for their efforts supporting
everything my office is doing now and across the
Commission.

And lastly, I just wanted to mention this Friday
is the Leslie K. McAllister Symposium on climate and energy
law at the University of San Diego. And so I'm going to
moderate a session on Friday, actually it started last
Friday with they've divided up into two days. But it's
about regulation in times of emergency and disruption and
it's very topical. And I'm always gratifying to
participate in that event.

And I really appreciate the care and kindness
that goes into that at the University San Diego. So it's
got heavy legal content, because it's at the law school.
So those of you who are lawyers, you should feel free to
chime in. So thanks a lot.

CHAIR HOCHSCHILD: Thank you, Commissioner.

Let's go to Commissioner Douglas.

COMMISSIONER DOUGLAS: Great. Well, it's been a
busy month and I'll just report on some of the things that
I've been up to. We had our RPS workshop for the
regulations. The workshop went very well. As I've been
saying repeatedly look for a package to come to the
business meeting in December.

I also enjoyed very much and appreciated the
diversity celebration. It was great to watch and it was
great to see our staff kind of providing just some of their
own stories and their own experiences. And really it was a
very nice event. And so I want to thank everyone who
worked hard to put that together.

I had a number of speaking engagements as have
probably all of you. Geothermal Resources Council, I gave
a keynote there. I participated in the Info Cast Clean
Energy Virtual Summit talking about our SB 100 goals and
technologies that can help us get to those goals. There
may have been another one. Oh, I know Redwood Coast
Energy Authority, they had a community forum in the evening
and I participated in that. That was a really nice
discussion. EPIC Symposium, a nice job Vice Chair Scott
and others, you know, staff team that event went very well.

And the Chair and I are going to be speaking on a
panel at the California Tribal Nations Conference today,
the conferences yesterday and today. It's organized by the
Governor's Office and Christina Snyder, the State's and the
Governor's Tribal Liaison. So it's exciting to take part
in that. The focus of that is infrastructure and economic
development. Of course from our perspective, it's the
state's shift towards meeting our clean energy goals and
the opportunities that presents in the area of
infrastructure and economic development. And our
partnership with tribes, which the Energy Commission has
developed over years of work now.

So I think that -- oh, I also wanted to give one
more shout out to the DACAG. I had the opportunity earlier
in October to speak to the DACAG about a workshop that the
Energy Commission is planning with the PUC and the ISO to
look at energy efficiency improvement.

And kind of -- well it's not so much energy
efficiency, but efficiency improvements at natural gas
plants that allow some of these plants to operate more
effectively at high temperatures. So that they don't
reduce the output as much when temperatures are really
high, because high temperatures tend to suppress generation
at gas plants. And so there are things that can be done
about it such as chillers and other technologies, some of
which are very cost effective. And some of which could
conceivably be in place by summer 2021.

And we had a very nice discussion, a very robust
discussion. They were pleased to hear about the workshop
and interested in participating in it more importantly.
And so I think having the DACAG's participation early and
discussion and dialogue early on issues like that is going
to be helpful to all of us.

So those are some of my updates. I probably
could have come up with more, but I think I'll pass on
anything else and pass this on to one of my colleagues.
Thank you.

CHAIR HOCHSCHILD: Great. Thank you, Commissioner.

I'll just keep my comments brief. I just wanted to give my thanks to the whole EPIC team and to Vice Chair Lori and everyone. That was I think the biggest and the best EPIC Symposium we've had, I believe 1,600 people all together. And I was thrilled the Governor could join us and all the other luminaries, just tremendous.

And the diversity celebration just couldn't have come off any better. We started planning that I want to say eight or nine months ago. And had been hoping to do it in-person with food, which we will certainly do when we're able to gather in person again, as well as music and dance. So that that was just an absolute treat to be able to do it. And I think it'll be even better when we can do it in person. So thank you, Noemi, and everyone else who was involved in making that a success.

I also want to give a shout out especially to Alana Sanchez who was instrumental in the success of our California-Germany Symposium. We've been doing that for a number of years. This year we focused for the first time on transportation and had a great dialogue with the Germans on that. And just incredible the momentum we're seeing.
(audio periodically cuts out.)

We're going to be having a guest speaker for all Energy Commission staff very soon from Ford, the new CEO of (indiscernible). They're introducing the electric F-150 at the end of next year. Their new model (indiscernible) electric vehicle and just another example of the incredible progress, the Ford F-150 going electric, you know? This is something that I just don't think would be happening now (indiscernible) policy leadership. And that electric vehicle ecosystem was able to incubate here.

So I'll stop there, but thanks everyone for an incredible year so far. A lot of challenges, but a lot of progress. So with that let's go to Item 10 Executive Director's Report.

MR. BOHAN: Thank you, Chair just one item I would like to raise and that is session we held last week with all staff. And it was about rethinking our workplace. We had one of our Zoom licenses that allows up to 500 people we maxed, so 500 staff stepped up and wanted to participate. And I know a couple of you did as well. This is on video if anyone wanted to go back and look at it. But I was really heartened to see the questions. We got about 60 questions at the end that staff asked that just reflected an engagement and enthusiasm for figuring it out.

It's a brave new world and we wanted to come in
as management not with answers, but with questions, and staff stepped up. So we're now doing -- we've put out another survey to really ask questions very specific to telework and what do we want the office to look like, and that sort of thing. And we've established some focus groups in our consultant, RedRhino, which is composed of folks that used to work at WeWork and are just excellent are going to have that conversation. And we're wanting to figure out how we're going to reconfigure our office when we're given the green light sometime next year, presumably to be able to go back. So thank you very much.

CHAIR HOCHSCHILD: Yeah, that was absolutely spectacular, Drew. Thank you on behalf of all of us for that.

All right, let's turn now to Item 11, the Public Advisor's Report.

MS. GALLARDO: Hi there, Chair, Vice Chair and Commissioners. Thank you. I want to start out by saying that I really appreciate you giving kudos to the staff who helped put on the diversity celebration, and all of those who were also willing to share so much of themselves in that celebration. And looking forward, and we're going to hold ourselves accountable to providing food, music, dancing games and whatnot once we're in person to do our next diversity celebration.
Also I want to take this opportunity to invite our audience to join us for the Energy Commission's Inaugural Clean Energy Hall Of Fame Awards. We'll announce the winners shortly. It's an incredible cohort, very inspiring work that they've done to contribute to our 100 percent clean energy future. And I want to make sure that you can all help us celebrate them, so the awards event is happening on Thursday, December 10th at 2:00 p.m. It'll be virtual on Zoom and we'll send out more detail shortly. Those will also be posted on our homepage of our website at energy.ca.gov.

And that concludes my comments. Thank you.

CHAIR HOCHSCHILD: Thank you.

All right, let's move on to Item 12, Public Comment. Any public comment on this, Noemi?

MS. GALLARDO: So Chair, I'll read the instructions first, just to give folks a chance. So this is the period for any person wishing to comment on information items or reports of the meeting agenda. You will have three minutes total to give comments and may be limited to one representative per organization.

As a reminder, we are not accepting public comment through the Zoom system. Please call our Verizon line at 888-823-5065 as you see on the screen. You still have time to hop on if you act quickly. The pass code is
"business meeting." And after your line is opened please
spell your first and last name, state your affiliation if
you're representing an organization. Do not use the
speakerphone when talking, because we won't hear you
clearly. And if you're also on Zoom either mute or leave
them to avoid the feedback.

So I do not have any written comment, Chair, and
it looks like we do not have anyone on the line, either.
So we can we can move forward to the next item.

CHAIR HOCHSCHILD: Okay, thank you, Noemi.
Let's move on to Item 13, Chief Council's Report.

MR. WARD: Good afternoon. This is Allan Ward,
an Assistant Chief Counsel in the Chief Counsel's Office.
I'm here just substituting for Darcie Houck. And I wanted
to report that we have no report out today.

CHAIR HOCHSCHILD: Okay, thank you. Thank you
for your report there.

And with that we're adjourned.

(The Business Meeting adjourned at 12:15 p.m.)

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REPORTER’S CERTIFICATE

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 24th day of November, 2020.


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