

DOCKETED

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BUSINESS MEETING

BEFORE THE

CALIFORNIA ENERGY COMMISSION

In the Matter of:)
) 21-BUSMTG-01
 Business Meeting)
 _____)

REMOTE ACCESS ONLY

As of June 9, 2021, public comment will be accepted solely through the Zoom platform.

The California Energy Commission's (CEC) August 17, 2021 Business Meeting will be held remotely, consistent with Executive Order N-08-21 to continue to help California respond to, recover from, and mitigate the impacts of the COVID-19 pandemic. The public may participate consistent with the direction in the Executive Order.

Pursuant to California Code of Regulations Title 20 section 1104(e), any person may make oral comment on any agenda item. To ensure the orderly conduct of business, such comments will be limited to three minutes or less per person. Any person wishing to comment on information items or reports (non-voting items) shall speak during the general public comment portion of the meeting and have three minutes or less to address all remaining comments.

TUESDAY, AUGUST 17, 2021

2:30 P.M.

Reported by:
Peter Petty

APPEARANCES

Commissioners (Via Remote)

David Hochschild, Chair
Karen Douglas
Andrew McAllister
Patricia Monahan
Siva Gunda

Staff Present: (Via Remote)

Drew Bohan, Executive Director
Kerry Willis for Linda Barrera, Chief Counsel
Noemi Gallardo, Public Advisor
Eric Knight, Siting and Environmental Protection Office
Manager
Elizabeth Huber, Siting and Environmental Protection Office
Manager
Lisa DeCarlo, Office of the Chief Counsel
Jared Babula, Office of the Chief Counsel

Agenda Item

Shawn Pittard 1, 2

Others Present (Via Remote)

Interested Parties Agenda Item

Ted Craddock, CDWR 2

Public Comment (Via Remote) Agenda Item

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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:	
i. <i>In the Matter of U.S. Department of Energy (High Level Waste Repository) (Atomic Safety Licensing Board, CAB-04, 63-001-HLW); State of California v. United States Department of Energy (9th Cir. Docket No. 09-71014)</i>	

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ii. <i>State Energy Resources Conservation and Development Commission v. HyGen Industries, Inc. (Sacramento County Superior Court, Case No. 34-2019-00252543-CU-BC-GDS)</i>	
iii. <i>Interlink Products International, Inc. v. Xavier Becerra, Drew Bohan, Melissa Rae King (United States District Court for the Eastern District of California, Case No. 2:20-cv-02283)</i>	
iv. <i>Southern California Gas Company v. California State Energy Resources Conservation and Development Commission (Sacramento County Superior Court Case No. 34-2021-80003576-CU-WM-GDS).</i>	
b. Pursuant to Government Code, section 11126, subdivisions (a) and (e), the CEC may also discuss any judicial or administrative proceeding that was formally initiated after this agenda was published; or determine whether facts and circumstances exist that warrant the initiation of litigation, or constitute a significant exposure to litigation against the CEC, which might include personnel matters.	
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1 P R O C E E D I N G S

2 AUGUST 17, 2021

2:30 p.m.

3 MS. MURIMI: The California Energy Commission's
4 Business Meeting will begin shortly. Thank you for your
5 patience.

6 (Start of Introductory Video.)

7 Today's Business Meeting is being held remotely.
8 Please note the public comment will now be conducted via
9 Zoom. When the public comment period is announced press
10 the raise-hand feature to indicate you would like to make a
11 comment.

12 If you are participating by phone to indicate
13 you'd like to make a comment please raise your hand by
14 pressing *9 and then press *6 to unmute. Again, that is *9
15 to raise your hand and *6 to unmute.

16 For public comment please note that comments are
17 limited to three minutes or less per person and one
18 representative per organization. Depending on the number
19 of commenters we may adjust the time for public comment to
20 be fair to everyone who'd like to speak.

21 After you raise your hand the Public Advisor will
22 announce you using the listed Zoom name or with the last
23 three digits of the phone number used to call in to the
24 meeting. The Public Advisor will then open your line.
25 Before making your comment state and spell your name and

5

1 indicate your affiliation, if any.

2 Finally, to help ensure you're heard clearly
3 speak closely and clearly into the device, do not use the
4 speakerphone feature.

5 Welcome to the California Energy Commission
6 Business Meeting. The meeting will now begin.

7 (End of Introductory Video.)

8 CHAIR HOCHSCHILD: Well, thank you. And welcome
9 friends to our August 17th Business Meeting. Commissioner
10 Monahan, would you lead us in the Pledge of Allegiance?

11 (Whereupon the Pledge of Allegiance was recited.)

12 CHAIR HOCHSCHILD: Thank you, Commissioner.

13 I do want to acknowledge we are in the middle
14 again of a surge with COVID and the Delta variant. And I
15 want to urge everyone to do your part by getting vaccinated
16 and wearing masks as required, and to exercise caution. In
17 addition, we are undergoing some stress to the grid this
18 summer and wanted to urge everyone as well to sign up for
19 Flex Alert Notifications at flexalert.org.

20 Now for instructions, today's Business Meeting is
21 being held remotely consistent with Executive Order N-08-21
22 to continue to help California respond to, recover from,
23 and mitigate the impacts of the COVID-19 pandemic. The
24 public can participate in the Business Meeting consistent
25 with the direction in this executive order.

1 Zoom is the platform we are using to conduct
2 Business Meetings. Instructions for remote participation
3 can be found in the notice for this meeting and is set
4 forth on the agenda posted to the Commission's website.

5 If Zoom were to shut down we will switch to the
6 Verizon phone line at 888-823-5065, the pass code is
7 "Business Meeting." Public comment would then be accepted
8 through Verizon.

9 Pursuant to California Code of Regulations Title
10 20, section 1104(e) any person may make oral comments on
11 any agenda item. To ensure the orderly conduct of business
12 public comments will be limited to three minutes or less
13 per person for each agenda item voted on today.

14 Any person wishing to comment on information
15 items or reports, which are non-voting items, shall reserve
16 their comment for the general public comment portion of the
17 meeting agenda and shall have a total of three minutes or
18 less to state all remaining comments.

19 We are now solely using Zoom for public comment.
20 Once the public comment period begins if you would like to
21 speak please raise your hand by clicking on the hand icon
22 at the bottom of your screen.

23 If you're joining by phone press *9 to raise your
24 hand and *6 to unmute.

25 After the Public Advisor calls on you to speak,

1 spell your name and state your affiliation, if any.

2 Let's turn now to the items. We're going to
3 switch the order of the items and take Item Number 2 first,
4 which is the Order on Process for New Emergency and
5 Temporary Power Generators. So, Shawn, can you take it
6 from here?

7 MR. PITTARD: Yes, I can. Thank you Chair.

8 Hello, good afternoon, Chair and Commissioners.
9 My name is Shawn Pittard. I'm the Deputy Director of the
10 Siting, Transmission & Environmental Protection Division.
11 I'm here to present two orders for your consideration that
12 would implement provisions of Governor Newsom's July 30,
13 2021, Emergency Proclamation.

14 With me today are the STEP managers who will
15 implement these orders. Eric Knight, Siting and
16 Environmental Protection Office Manager. And Elizabeth
17 Huber, our Compliance, Monitoring and Enforcement Office
18 Manager. Also with me today are our partners from the
19 Chief Counsel's Office Lisa DeCarlo and Jared Babula.
20 Special thanks to Kerry Willis for her leadership on this.

21 The Governor's Emergency Proclamation orders the
22 CEC to take immediate action to reduce the strain on energy
23 infrastructure, increase energy-generating capacity, and
24 make energy supply more resilient to protect the health and
25 safety of Californians. The two orders staff will present

1 today address actions that will provide additional
2 electricity to California before October 31, 2021. We
3 anticipate bringing a third order to next month's Business
4 Meeting that will address actions to provide additional
5 capacity by October 31, 2022.

6 Now the Governor issued an Emergency
7 Proclamation as a result of sudden and severe energy
8 shortages in California caused by extreme drought,
9 wildfires and record-breaking heat events throughout the
10 Western United States.

11 The proclamation declares that California
12 currently faces an energy-supply shortfall of up to 3,500
13 megawatts in 2021. And a shortfall of up to 5,000
14 megawatts is projected for Summer 2022. Next slide,
15 please. Thank you.

16 The proclamation authorizes the CEC to license
17 new emergency and temporary power generators of 10
18 megawatts or more that can deliver net peak energy by
19 October 31, 2021. Next slide, please. Thank you.

20 To be licensed by the CEC, the emergency and
21 temporary power generators must meet specific criteria set
22 forth in the proclamation and in the order. These criteria
23 include locating the generators on a previously disturbed
24 site, using natural gas after construction as soon as is
25 practicable. And installing Best Available Control

1 Technology, what we call BACT, for air emissions as soon as
2 practicable.

3 The order establishes a process by which the CEC
4 would license these emergency and temporary power
5 generators. First, within three days of the order's
6 adoption the Executive Director will develop a self-
7 certification template to be used by applicants. We are
8 working on that right now.

9 Within 10 days of receiving the self-
10 certification and associated documentation the Executive
11 Director will verify the self-certification is complete and
12 meets the criteria in the order and either grant or deny
13 the license. The Executive Director's decision is final,
14 and not subject to appeal.

15 These emergency and temporary power generators
16 will be licensed for up to five years. Next slide, please.
17 Thank you.

18 Staff recommends adoption of Order No. 21-0817-2.
19 We are available to answer questions, thank you.

20 CHAIR HOCHSCHILD: Thank you, Shawn.

21 Let's see with the Public Advisor if we have
22 public comment on Item 2.

23 MS. GALLARDO: This is Noemi, the Public Advisor.
24 We do have Ted Craddock from the Department of Water
25 Resources. Excuse me, Ted, would you like to speak now?

1 COMMISSIONER DOUGLAS: If I could, Noemi --

2 MS. GALLARDO: Sure.

3 COMMISSIONER DOUGLAS: -- and again Chair
4 Hochschild, maybe I could make some introductory comments,
5 and then we could have Ted speak?

6 CHAIR HOCHSCHILD: That's fine. Yeah, please.

7 COMMISSIONER DOUGLAS: Super, thank you. So I
8 wanted to make some introductory comments and start by
9 thanking Shawn Pittard who we just heard from and his team
10 in the STEP Division, and also Linda Barrera and the Legal
11 Office, and my advisors and Commissioner Gunda and his
12 advisors. And really a lot of people for their hard and
13 swift work in establishing this proposed process for new
14 emergency and temporary power generators as well as the
15 post-certification changes that we'll hear about in the
16 next item.

17 Commissioner Gunda, as you know, is our Lead on
18 Reliability. He's had a tremendously critical role as just
19 the nerve center for all of our different work as we
20 support reliability efforts and the emergency proclamation,
21 and that includes his role and in this effort.

22 And I really want to thank as well the Department
23 of Water Resources under the leadership of Ted Craddock,
24 who we'll hear from shortly, for putting together an
25 extraordinarily impressive and very hard-working team to

1 work collaboratively with the Energy Commission and with
2 the Independent System Operator as we work to think through
3 our implementation of the emergency proclamation and the
4 processes that we're bringing forward today. And as DWR
5 carries out its responsibilities under the emergency
6 proclamation. I just want to say that Department of Water
7 Resources has stepped up in a really extraordinary way and
8 as has our partners in the ISO and Public Utilities
9 Commission as well, of course.

10 So we'll hear from Ted shortly. My comments are
11 brief, but I did want to emphasize that Governor Newsom's
12 Emergency Proclamation makes it very clear that all of our
13 energy agencies have to act immediately to achieve energy
14 stability during this emergency, as well as accelerating
15 plans for construction procurement and rapid deployment of
16 new clean energy and storage projects to mitigate
17 (indiscernible - audio cuts out briefly.)

18 MS. GALLARDO: This is Noemi, the Public Advisor.
19 I am not hearing Commissioner Douglas. Is anyone else
20 having that issue?

21 CHAIR HOCHSCHILD: I lost her as well. Maybe you
22 could text her to try to go off video and just do it
23 verbally.

24 MS. GALLARDO: Will do.

25 CHAIR HOCHSCHILD: And perhaps in the meantime,

12

1 we could turn to DWR to begin and maybe Commissioner
2 Douglas could pick up when she's back on.

3 MR. CRADDOCK: Yeah, I'd be happy to.

4 CHAIR HOCHSCHILD: That'd be great. Thank you,
5 appreciate it. Please go ahead.

6 MR. CRADDOCK: Yeah, good afternoon Chair and
7 good afternoon Commissioners. Ted Craddock, I currently
8 serve as the Deputy Director for the State Water Project
9 with the California Department of Water Resources. I
10 really appreciate the opportunity to speak to the
11 Commission today.

12 As Commissioner Douglas mentioned both DWR and
13 Energy Commission staff have been partnered and
14 collaborating over the past few weeks to implement the
15 governor's emergency proclamation and specifically for
16 procurement to temporary emergency generators through the
17 state for the state.

18 As a team we've assessed over 40 existing power
19 plant sites, had to determine their suitability for adding
20 generation. And we're currently in the process for
21 procuring 530-megawatt units to be installed at three
22 locations throughout the state.

23 Additionally, we'll be working to determine and
24 identify additional capacity to add as we move forward.
25 But it's really been, as Commissioner Douglas shared, an

1 incredible partnership between DWR Energy, Commission staff
2 and the Independent System Operator to work together as a
3 team to identify suitable sites and procure these
4 generators in rapid fashion. These will be natural gas
5 units that are hydrogen-capable in the future, and so will
6 meet our current needs. And we'll have the capability to
7 utilize future fuel blends of hydrogen, as we move forward
8 in our clean energy goals.

9 So I think with that I'll stop there and turn it
10 back over to Commissioner Douglas.

11 CHAIR HOCHSCHILD: Thank you.

12 Yeah, Commissioner Douglas, are you back okay?

13 COMMISSIONER DOUGLAS: I am back and I heard most
14 of what Ted had to say. I was working my way through some
15 of the foundational elements of the energy emergency that
16 got us here. I think, though, that we have covered most of
17 it.

18 I just want to say that again, I really
19 appreciate DWR's hard work. They've got a tremendously
20 impressive team on this. It's been a real pleasure working
21 with them. And I know Commissioner Gunda probably has some
22 comments on this and perhaps we could go to him. But thank
23 you, Chair Hochschild.

24 CHAIR HOCHSCHILD: That'd be great. Let's do
25 that, Commissioner Gunda?

1 COMMISSIONER GUNDA: Thank you, Chair, and thank
2 you Commissioner Douglas. I do have a few comments,
3 Commissioner, Chair Hochschild to just kind of sum up the
4 context of this particular effort into greater reliability.
5 To just kind of make sure those public who are calling in
6 connect all the dots here.

7 So I just want to begin, first of all, by
8 thanking Commissioner Douglas and her office for the
9 incredible work that they have been doing for the last four
10 weeks or so. Much more, but then definitely last four
11 weeks it's been really a pleasure to see the different
12 layers of expertise, legal expertise, that has brought to
13 bear to help secure the reliability for the state.

14 I'd also like to extend my thanks to the Legal
15 team as well as the Siting team for all the quick work and
16 coming up with this process as quickly as possible here.
17 So a special thanks to Shawn, Eric and the entire team,
18 Elizabeth, and the entire team.

19 I also want to just follow with what Commissioner
20 Douglas was saying. I want to really extend my sincere
21 thanks to Ted Craddock who just made a comment, but also to
22 Olivia Virgadamo, Ghassan ALQaser, Behzad Soltanzadeh and
23 the entire DWR team. What an incredible, incredible team
24 that DWR has, really experts in this area, but also at the
25 amount of time that all are spending. So thank you, Ted,

15

1 to you and the entire DWR team.

2 I also want to just close, with my thanks to Mark
3 Rothleder and Bob Kott and the entire CAISO team for their
4 collaboration and hard work in making this particular
5 element of the contingency plan come together.

6 With that I want to just set up at a high level,
7 some of the context for this. As the Governor's Emergency
8 Proclamation laid out as well as the staff's presentation
9 about it at the last week's Business Meeting reference, we
10 are in an emergency situation. And it's good to have this
11 as an additional resource, this particular ability to bring
12 on additional resources between now and October 31st of
13 this year, whether it's a few hundred megawatts that could
14 make a significant difference towards the reliability.

15 Here's a couple of high-level takeaways from the
16 CEC's reliability modeling that was noted in the Emergency
17 Proclamation. And Shawn quoted the 3,500 megawatts and the
18 5,000 megawatts net short. As a follow-up to the root
19 cause analysis after last year's rolling outages CEC began
20 developing new reliability analysis to provide situational
21 awareness as well as plan for contingencies to fill the gap
22 between planning and potential extreme weather scenarios.

23 Over the first half of this year the extreme
24 scenario analysis has continued to deteriorate given the
25 early onset of heat that we've experienced and the

1 increasing minimum temperatures in the day. So the overall
2 minimum temperatures in the day are increasing, which will
3 essentially create a higher load in the next day.

4 The outlook under extreme conditions further
5 worsened given the drought conditions and the resulting
6 production in the hydrogen rations, and the ongoing fire
7 threatening both generation and transmission assets.

8 The Governor's Executive Order provides critical
9 tools for the state to develop contingencies and provide
10 support during extreme weather events. Part of the planned
11 contingencies definitely include the Flex Alerts, support
12 for CAISO from neighboring California balancing
13 authorities, and several demand side programs.

14 And since last year staff, specifically Siting
15 staff under Commissioner Douglas's leadership, were able to
16 work through 136 megawatts, some incremental improvements
17 to existing power plants. With this particular process
18 there are over 140 megawatts of incremental improvements,
19 as Ted mentioned and Shawn mentioned, that we could get
20 this summer.

21 The weather-related uncertainties are such that
22 we might have as much as 3,500 megawatts of net short this
23 year or none. And this is the uncertainty that we need to
24 plan for, so it is imperative for the state to develop as
25 many tools as possible to help support reliability.

1 And I'm really grateful for all the work our
2 staff in collaboration with DWR as well as CAISO have been
3 doing, and I am just grateful for everybody's work on this.
4 Thank you, Chair, back to you.

5 CHAIR HOCHSCHILD: Thank you, Commissioner.

6 Yeah, before I turn to any other Commissioner
7 comment, Noemi, I just wanted to verify there was no
8 further public comment on Item 2?

9 MS. GALLARDO: We do have a hand raised, Chair,
10 so let me go to that commenter now.

11 So we'll start with the person whose phone number
12 ends in 385. A reminder to please state your name, spell
13 your name and indicate your affiliation, if any. I am
14 opening your line now and you may begin. And a reminder to
15 also unmute on your end, all right.

16 MR. UHLER: Can you hear me?

17 CHAIR HOCHSCHILD: Yes, we can.

18 MS. GALLARDO: Yes,

19 MR. UHLER: Great. My name is Steve Uhler, U-h-
20 l-e-r. I have a question about the determination of the
21 shortage and if you have a list of all the power plants
22 that are available to the state. I'm looking at a list
23 that shows 28 standby power plants. That's about a half a
24 gigawatt of power. Are you guys aware of that? I put
25 together a list based on EIA data. And I've been trying to

18

1 get complete list out of the Energy Commission for quite a
2 while. Mr. Babula could fill you in on that and my written
3 comment will describe it more.

4 But I'm concerned that there is a need to build
5 something new when you've got some power plants that are
6 either unavailable for maybe a maintenance thing that could
7 be brought back on. I showed 38 unavailable power plants,
8 with a total capacity of about 2 gigawatts. And this is
9 EIA data, so I would appreciate it if you guys would look
10 at that.

11 I'm thinking that Angela Tanghetti is involved in
12 this. I sent her a link to my page, my what I call, "Gen
13 Card Index." (phonetic) It takes all of California, it
14 separates it into all the counties. It separates it into
15 all the balancing authorities. It separates it into all
16 the ones that the Energy Commission doesn't seem to know
17 about being that they don't have a QFER ID on them. I'd
18 appreciate it if somebody looks at that and goes through
19 those before you break ground on anything or do anything.

20 So once again and I would really like to get a
21 complete list of power plants that the state thinks --
22 there's a possibility that there might be 150 power plants
23 that even the EIA doesn't know about. Also, any sub 1-
24 megawatt plants. So bear that in mind and this comment
25 will serve for both of them, but I'm really concerned that

1 you have a handle on it.

2 This Gen Card system similar to a system that I
3 used to run a semiconductor plant, which has process units
4 like power plants. They have chambers like generators.
5 And we were able to keep a semiconductor plant in this
6 state running while they shut down offshore plants another
7 10 years. Seriously, look at what I put together here.

8 You can also totally simulate down to the
9 millisecond, if you like, what's going on and the
10 likelihood of having a difficulty, so please look at that.
11 And hopefully Angela will look at this, Angela Tanghetti.
12 And she and I know each other for a long time. I can
13 totally explain how this works, so don't leave this feature
14 out. Let's not throw carbon at the problem if we already
15 have a situation here that's because of informational.

16 It is an inventory control problem. Last year
17 there was exporting a power, there was a power plant
18 apparently being shut down that people weren't aware of.
19 This system would tell you all of those things in real
20 time, simply done just using the Internet and a few people
21 making a few files on a website.

22 So please, please consider this in any of these
23 situations where you're going to build a new power plant or
24 allow another power plant to generate more emissions of any
25 kind. Thank you.

1 CHAIR HOCHSCHILD: Thank you.

2 Noemi, any other public comment on Item 2?

3 MS. GALLARDO: I will check now. So this is last
4 call for public comments on Item 2. If you would like to
5 make a comment please raise your hand using the raise hand
6 icon that looks like a high five on the platform. If you
7 are on by phone press *9 to indicate you would like to make
8 a comment.

9 Chair, I see no other raised hands, you may
10 proceed.

11 CHAIR HOCHSCHILD: Okay, let's just see if
12 there's any other additional comment. Commissioner
13 McAllister or Commissioner Monahan?

14 Okay, hearing none I would just like to add my
15 thanks to DWR, to Commissioner Douglas, Commissioner Gunda.
16 I'm happy to move this forward. Commissioner Douglas,
17 would you be willing to move the item?

18 COMMISSIONER DOUGLAS: Yes, I'd be very happy to
19 move the item. And I just wanted to say very briefly
20 before I move it -- and we did, Shawn did cover this -- but
21 the permitting process for these emergency and temporary
22 generators has the key features of a self-certification
23 type component and delegated authority to the Executive
24 Director to approve the petitions. He's given 10 days to
25 make the approval, I think, where the forms are filled out

21

1 very well he very well may be able to act in fewer.

2 While we are implementing an expedited process I
3 want to be clear that the Energy Commission will maintain
4 its focus on safe and reliable operation of power plants
5 and monitor compliance with licensing requirements. And
6 the STEP team has done a good job of creating a website and
7 a webpage for this program to make it as efficient and
8 user-friendly and transparent as possible.

9 So with that I strongly support our approval this
10 item. I want to thank everyone who took part in putting it
11 together, and particularly again Ted and the DWR team for
12 their work. And I move approval of this item.

13 CHAIR HOCHSCHILD: Thank you.

14 Commissioner Gunda, would you be willing to
15 second?

16 COMMISSIONER GUNDA: I second the item.

17 CHAIR HOCHSCHILD: Okay, all in favor say aye,
18 Commissioner Douglas?

19 COMMISSIONER DOUGLAS: Aye.

20 CHAIR HOCHSCHILD: Commissioner Gunda?

21 COMMISSIONER GUNDA: Aye.

22 CHAIR HOCHSCHILD: Commissioner McAllister? (No
23 audible response.) We didn't hear you Commissioner
24 McAllister. Are you double muted? We still can't hear
25 you. We still -- maybe do a thumbs-up if you're voting

22

1 yes?

2 COMMISSIONER MCALLISTER: (No audible response -
3 gestures to Chair Hochschild.)

4 CHAIR HOCHSCHILD: Okay, Commission McAllister.
5 Commissioner Monahan?

6 COMMISSIONER MONAHAN: Aye.

7 CHAIR HOCHSCHILD: And I vote aye as well, Item 2
8 passes unanimously.

9 Let's move now to Item 1, Order on Process for
10 Post-Certification Petitions for Changes in Design,
11 Operations, or Performance of Existing Facilities.

12 MR. PITTARD: Great, thank you. Thank you,
13 Chair.

14 Shawn Pittard again, Deputy Director of the
15 Siting, Transmission & Environmental Protection Division.
16 And still with me are Eric Knight, Elizabeth Huber, Lisa
17 DeCarlo and Jared Babula. Next slide, please.

18 As we discussed in the previous item the
19 Emergency Proclamation orders the CEC to take immediate
20 action to reduce the strain on energy infrastructure,
21 increase energy-generating capacity, and make energy supply
22 more resilient to protect the health and safety of
23 California. Next slide, please.

24 The Governor's Emergency Proclamation suspends
25 Title 20, California Code of Regulations, section 1769.

1 These are CEC's existing regulations for processing
2 petitions for changes to existing facilities licensed by
3 the CEC. And it authorizes the CEC to establish an
4 expedited process for approving facility changes that will
5 contribute to reducing the energy shortfall by October
6 31st, 2021.

7 Through October 31 21 the Emergency Proclamation
8 also allows a facility to generate up to its full capacity,
9 even if it means it will exceed its permit limits if it
10 meets the following criteria. One, the California
11 Independent System Operator issues a grid warning or
12 emergency notice. Two, the permit limit is a condition
13 adopted by the CEC or a local Air Quality Management
14 District. Finally, the increased output will occur from
15 two hours before to one hour after the CAISO grid warning,
16 or emergency notice.

17 Facility owners must report excess emissions to
18 CEC for transmittal to the California Air Resources Board
19 within 48 hours of each exceedance. No petition to change
20 is required for these projects. Next slide, please. Thank
21 you.

22 The key elements of Order No. 21-0817-1 that
23 would expedite approval of petitions are the authority to
24 approve such position petitions is delegated to the
25 Executive Director. The Executive Director's decision must

24

1 be made within 10 days of receiving a complete petition.
2 And the Executive Director's decision is final, and not
3 subject to appeal.

4 As Commissioner Gunda noted in his remarks on the
5 last item after last year's extreme heat events STEP worked
6 with CEC jurisdictional power plants to help identify
7 opportunities to increase generation capacity through
8 efficiency improvements, such as software and hardware
9 upgrades, which resulted in 136 megawatts of CEC-approved
10 electricity.

11 Staff is aware of additional potential changes
12 in 9 facilities that could provide an additional 143
13 megawatts of electricity that could be accomplished before
14 October 31st, 2021. Next slide.

15 Staff recommends adoption of Order No. 21-0817-
16 1. We're available to answer questions. Thank you.

17 CHAIR HOCHSCHILD: Thank you Shawn, appreciate
18 that.

19 Any public comments on Item 1 Noemi?

20 MS. GALLARDO: This is Noemi, the Public Advisor.
21 I do see a hand raised, so we'll start with that one. It's
22 a phone caller, phone ending in 385. Reminder to state
23 your name, spell your name and indicate your affiliation,
24 if any. Your line is open and you may begin.

25 MR. UHLER: Hello, this is Steve Uhler again. A

25

1 couple of points, these forms that would be filled out
2 related to any of these changes please see that the QFER
3 folks get this, these forms, so that they can make
4 adjustments to their database as far as capacities, intake
5 capacities, name changes.

6 Recently I noted that there was an ownership-
7 change petition with a name change and I didn't recognize
8 either of the names, because either of the names are not in
9 the QFER system. It appears that this is being overlooked,
10 but it's very important in inventory control. And once
11 again this is very much an inventory control problem. You
12 need to know the name, everybody needs to know the name, so
13 that they can go into systems for people to figure out
14 what's going on. So don't skip over section 1304, and
15 particularly 1304(b) just to be in a hurry. You can just
16 make sure you get this information out there.

17 Because I am amazed, you're 45 years old and you
18 don't -- and nobody seems to be able to produce a complete
19 list of power plants. I'm just blown away by that. The
20 EIA data seems to be more comprehensive than what the
21 Commission has. I'm not really sure how you can figure out
22 what is missing. And when I'm looking at power plants that
23 show outputs data as late as March of this year. Where the
24 other data that you're looking at is from a couple of years
25 ago in a lot of cases. And I would ask that you see that

26

1 the QFER folks clean up their data. There's over 500 items
2 in there that don't have the EIA power plant IDs. And
3 that's actually a requirement under 1304(a).

4 So please, and I can't errate (phonetic) enough.
5 You can't control a product unless you know its product
6 structure. And you need to get this stuff out there. Your
7 staff and Jared can opt to this. He sent me a file and I
8 was able to send it back with numerous errors. And they
9 were trying to tell me what's in BANC. And that's local
10 and they couldn't even get that correct, so pay attention
11 to that. I am.

12 And using this system that I use here I will
13 continue to follow this and once again make sure that we
14 all know what you're doing, because you're putting carbon
15 out there in a time where we can't afford to do that.

16 Thank you.

17 MS. GALLARDO: Thank you.

18 This is Noemi, the Public Advisor. Again I want
19 to remind folks if you're an attendee and you would like to
20 make a public comment please raise your hand to let us
21 know, using the raise hand feature. It looks like a high
22 five on the screen. If you're on by phone press *9. All
23 right, Chair, I do not see any other hands. We can
24 proceed.

25 CHAIR HOCHSCHILD: Thank you. Let's turn to

1 Commissioner discussion, starting with Mr. Douglas.

2 COMMISSIONER DOUGLAS: All right, thank you very
3 much Chair Hochschild. So the comments I made on the first
4 item are equally applicable here, especially the thanks to
5 the STEP Division, Chief Counsel's Office, and the media
6 team.

7 By providing the Energy Commission with the
8 authority to take necessary and immediate actions to allow
9 existing power plants currently subject to an Energy
10 Commission license to make changes that would reduce the
11 projected summer 2021 energy shortfall by October 31, 2021,
12 the proclamation has positioned the Energy Commission to
13 help make a meaningful difference in addressing the
14 projected shortfall.

15 The expedited process developed by the STEP
16 Division and with the support and help of the Chief
17 Counsel's Office provides an efficient process that meets
18 the demands and the timeline necessary to make a difference
19 in this timeframe, while also ensuring and supporting the
20 Energy Commission in maintaining its focus, again on
21 ongoing compliance and safety.

22 I strongly support this item and recommend it for
23 your approval.

24 CHAIR HOCHSCHILD: Thank you, Commissioner.

25 Other comments, starting with Commissioner Gunda.

1 COMMISSIONER GUNDA: Yeah, thank you Chair. Same
2 here as Commissioner Douglas mentioned the comments in the
3 previous items stand here.

4 I just want to reiterate what Commissioner
5 Douglas mentioned in terms of the time, that time is of the
6 essence. For both these items we are looking at support
7 for both this summer, but some of these could potentially
8 become support for next summer as the overarching planning
9 regime continues to evolve to ensure we have a clear
10 understanding on how best to plan for procurement as well
11 as plan for contingencies.

12 So I just want to thank the staff, Siting staff,
13 Elizabeth Huber specifically and Shawn, thank you so much
14 for all the work that you've done on this as well as Jim
15 Bartridge. And finally also the Chief Counsel's Office. I
16 just want to give a kudos to Linda Barrera and a number of
17 the legal team that are working on this. So with that I
18 would also support this item.

19 CHAIR HOCHSCHILD: Thank you, Commissioner.

20 Any comments? Commissioner McAllister please.

21 COMMISSIONER MCALLISTER: Yeah, I just want to
22 chime in and give my thanks to staff as well. I got a nice
23 briefing. I've been paying attention to this obviously
24 since the proclamation dropped and got a nice briefing
25 about both these issues. And yeah time is of the essence.

29

1 I want to just really also thank Commissioners
2 Gunda and Douglas for your attention to detail and just
3 proactivity on these issues, because obviously the state
4 really needs these resources ASAP, but also has to do it
5 right. And I think you found a good balance there. And
6 obviously it'll be a team effort going forward. We're
7 giving a lot of authority to the Executive Director, and I
8 think we'll be paying attention and making sure that all
9 the i's dotted along the way. So really, thanks again for
10 your leadership.

11 CHAIR HOCHSCHILD: Thank you, Commissioner.

12 Any other comments? Go ahead, Commissioner
13 Monahan.

14 COMMISSIONER MONAHAN: Yeah, just quickly. It
15 seems like there's been a lot of thanks going around, so I
16 won't pile that on. But I just wanted to say I appreciate
17 that we're in this place in the State of California where
18 we need new energy resources and we're trying to balance
19 that with making sure they are clean and safe and
20 affordable. And I think this proposal really does this.
21 Like Commissioner McAllister I was briefed by staff and
22 asked lot of questions around what does it mean to be
23 converted to natural gas as soon as practicable? And the
24 staff all had great answers for that.

25 So I just think this is a proposal that

1 appropriately balances the need for a reliable energy
2 system and increased sources of generation, while we're
3 trying to also ensure help protect communities from -- even
4 as we expand just the energy resources. Yes, I think I'm
5 excited to move forward with this, we need it as soon as
6 possible.

7 CHAIR HOCHSCHILD: Are you excited enough to move
8 the item?

9 COMMISSIONER MONAHAN: I move this item.

10 CHAIR HOCHSCHILD: Okay, Commissioner Douglas
11 would you be willing to second?

12 COMMISSIONER DOUGLAS: Second.

13 CHAIR HOCHSCHILD: All in favor say aye,
14 Commissioner Monahan?

15 COMMISSIONER MONAHAN: Aye.

16 CHAIR HOCHSCHILD: Commissioner Douglas?

17 COMMISSIONER DOUGLAS: Aye.

18 CHAIR HOCHSCHILD: Commissioner Gunda?

19 COMMISSIONER GUNDA: Aye.

20 CHAIR HOCHSCHILD: Commissioner McAllister?

21 COMMISSIONER MCALLISTER: Aye.

22 CHAIR HOCHSCHILD: And I vote aye as well. Item
23 1 passes unanimously.

24 Let's turn now to Item 3, Lead Commissioner or
25 Presiding Member Reports. Commissioner Monahan.

1 COMMISSIONER MONAHAN: I hadn't really thought
2 about this.

3 CHAIR HOCHSCHILD: Well, we just had a meeting a
4 few days ago.

5 COMMISSIONER MONAHAN: I (indiscernible) monthly
6 one, last time. Of course, I think I didn't make it too
7 (indiscernible) at the last one, because I had an allergy
8 attack.

9 But well, just really briefly, (indiscernible) --
10 I'm sorry, I can't remember if we actually did any
11 Commissioner brief last time. So I'll just be really fast
12 to say we had been organizing an EV tour and we had a lot
13 of excitement from different agencies. Liane -- or Chair
14 Randolph and CPUC Commissioner Rechtschaffen, and then many
15 others were excited to come. But we had to cancel it
16 because of the Delta variant, so that was -- we spent a lot
17 of organizing it and then cancelled it last week or two
18 weeks ago. And that was pretty sad, but I think we had to
19 do it just given everything that's happening in the state.

20 The team is moving forward with proposals, some
21 of which I think you've already seen and some of which
22 you'll see soon, to rapidly deploy funding for zero
23 emission vehicle infrastructure. There is a lot of work
24 with the team to make sure that we are spending our money
25 swiftly and wisely as we meet the Governor's aggressive

1 goals around zero emission vehicle infrastructure, of
2 vehicles goals and infrastructure goals as well.

3 Oh, and then I think I mentioned to you all, I'm
4 sure I mentioned to you all that I've been working on a MOU
5 with the City of Zhangjiakou. And this has been literally
6 two years in the making. I went there right as COVID was
7 spiking right, so as it was starting actually, to China to
8 explore this. We finally signed it this week or last week,
9 I think, we signed the MOU. So that was exciting, more to
10 come on that.

11 But we really want to work closely with our
12 international partners on a strategy around hydrogen and
13 fuel cell vehicle deployments. The only way the market is
14 going to scale on fuel cells is if there's big global
15 investment happening, not just here in California or Japan
16 or Korea, but China, the EU. And so just really looking
17 forward to working more with our international partners to
18 make sure we have a strategy for reaching our zero emission
19 vehicle and infrastructure goals. That's all.

20 CHAIR HOCHSCHILD: That's great, thank you,
21 Commissioner.

22 Commissioner Gunda?

23 COMMISSIONER GUNDA: Thank you Chair. I think I
24 had a pretty lengthy one last time, so I'm going to keep it
25 at a high level. I just want to flag that we will have a

1 workshop on August 30th in a week and a half or so that
2 looks at the midterm reliability analysis by the CEC team.
3 Commissioner Douglas is going to be involved in that as
4 well, and I think, Chair, you're able to attend. I really
5 encourage Commissioners McAllister and Monahan if you're
6 able to attend. This will give us an opportunity to look
7 at the analysis through 2026.

8 And I want to take this opportunity to just kind
9 of frame one issue. We don't all get to talk privately
10 about these things together, so let's take this
11 opportunity. So as an industry standard we plan for what
12 is called a one-in-ten-year event, right? So as a whole
13 we're -- I mean, the planning, the IRP planning, the
14 procurement planning typically happens in a way that the
15 reliability will necessitate less than one outage in ten
16 years. So that's what we plan for.

17 So the way we go about that is we do random
18 analysis of demand and supply conditions and we do s
19 multiple number of runs, randomly choosing one demand
20 profile with one supply profile and so on. So that gives
21 you kind of a probability. So if you ran 5,000
22 simulations, if you're able to have outages less than 500
23 times then you pass that industry standard. And it's
24 important to note, because as we are planning to work
25 through this, the reliability concerns we have right now,

1 we are trying to plan for this extreme scenario, which will
2 bring our planning from one in ten to near zero, right? So
3 when we put this 3,500 number or 5,000 number out we are
4 looking at an extreme situation, which is outside of the
5 planning regime that we currently plan for. And so the
6 importance here is that we plan for a one-in-ten event, but
7 then always have contingencies in our back pocket to be
8 able to have that extreme scenario dealt with as well.

9 And as we continue to develop analysis, both on
10 the demand side and supply side to better take into account
11 kind of extreme weather events and climate change we will
12 still end up with this delta between the extreme scenario
13 and the planning standard. And it's important for us to
14 note, because that necessitates this kind of contingency
15 planning for a very long time.

16 And I'm really grateful for Commissioner Douglas
17 is going to lead, take the lead on developing this long-
18 term contingency outlook, how do we think about this, so
19 we're going to work together on that. So I just wanted to
20 take this opportunity to share that information with my
21 colleagues. Thanks.

22 CHAIR HOCHSCHILD: Thank you, Commissioner Gunda.

23 Let's go to Commissioner Douglas.

24 COMMISSIONER DOUGLAS: Super, thank you Chair
25 Hochschild. So yesterday -- and I'll start on this and you

1 can add on -- but the Chair and I visited the Russell City
2 Energy Center. And we had an opportunity to both meet with
3 Calpine at the plant, but in addition Mayor Halliday was
4 there as well as Fire Chief Contreras, and a number of
5 other members of the city staff. It was a really, really
6 informative trip. It was definitely the sort of thing that
7 I know and I think all of us Commissioners are going to
8 make that trip at some point. And I really recommend it,
9 because it's important to see, it's important to see the
10 power plant. It's important to see what happened there.
11 It's important to talk to city and Calpine, and just really
12 try to understand how we move forward, how we prevent this
13 kind of thing from happening again.

14 There is a root cause analysis that's being
15 conducted independently that is going on. The Energy
16 Commission has an open investigation into this matter that
17 will be informed by the root cause analysis, but it will be
18 informed by our own independent work as well.

19 And I think there has been a lot of progress in
20 working with the city and the Energy Commission staff and
21 Calpine in this particular instance. I'm really interested
22 in seeing how we can use what we learn here to improve
23 safety and improve processes more broadly across the fleet
24 where applicable. And those include both just
25 understanding what happened here and how to hopefully

1 prevent it or what measures can be taken to prevent it.
2 But also just really seeing the benefits that have come out
3 of the level of collaboration that exists now between
4 Calpine and the city.

5 It's something that I want to just kind of
6 remember that power plants, we vote on them, they get
7 built, but we have a compliance obligation every year that
8 that power plant is operating. And we've just kind of got
9 to keep it fresh and we've got to keep checking in and just
10 understanding that things are happening as well as they
11 should. And I think that there's definitely a lot that we
12 can learn and improve as we process and learn more about
13 what happened there.

14 So that's kind of my report. I know, Chair
15 Hochschild, you'll probably have some additions to that and
16 I know that there are other visits planned, which I think
17 is a really good thing. So that's my only report.

18 CHAIR HOCHSCHILD: Yeah, maybe I'll just go now
19 just while we're on that topic. And I think the mantra for
20 me after that site visit, we were there for a couple hours,
21 is never again. We were extremely fortunate not to have
22 anybody killed or injured. But there is a 50-pound piece
23 of metal that traveled 1,200 feet and Commissioner Douglas
24 and I went to the residential care facility where that
25 piece of metal came into their dining area and we saw the

1 hole in the ceiling. And it was just by good fortune
2 nobody was killed.

3 So collectively we have to do better at
4 prevention, at sourcing, at everything, every level of
5 diligence. I've never seen an incident like this since
6 I've been on the Energy Commission for eight-and-a-half
7 years.

8 And we had a very honest discussion with Calpine
9 and the Fire Chief and the Mayor and City Manager and
10 others there about the incident. And we'll look forward to
11 getting to the bottom of it when the root cause analysis is
12 completed. But suffice it to say this is one of those
13 things where I feel like we dodged a bullet and we have got
14 to insist on doing better at every protocol in every way,
15 so that we're learning a lesson here and it does not repeat
16 ever. And I can't say that strong enough.

17 So anyway I'm very glad to do the visit. I do
18 want to thank in particular Shawn Pittard, Tim Smith and
19 others who helped set up that tour, it was really
20 informative. We went up to the to the deck of the power
21 plant, saw the turbine that had been damaged, and got a
22 really good sense of the facility and what unfolded. So
23 thank you to the team for setting that up.

24 I would just add that this morning well, first of
25 all, again wanted to congratulate the whole team and

1 Commissioner McAllister for the incredible work on the
2 energy code. I got the roundup of all the media coverage
3 this morning from our comm shop, and just incredible
4 coverage from everything from the "New York Times" and
5 "Reuters" to everything in between. And it's really gotten
6 a lot of attention. I think it's going to inspire a lot of
7 bold policy-making elsewhere around the country and the
8 world.

9 And really, Commissioner McAllister said
10 something today. We had a meeting with Secretary Crowfoot
11 and his staff too. I invited the Secretary to give his
12 thanks to the team for that. And Commissioner McAllister
13 said something that stuck with me, which is that the
14 process is so exhaustive and inclusive that you end up with
15 a result that really embodies wisdom. I think that's
16 really true. I think the code is a wise code. I think
17 it's forward-looking and pragmatic and really embodies as a
18 result of a great process.

19 So one of the follow-ups that we did from that is
20 this morning Commissioner McAllister and I met with Chair
21 Randolph and Richard Corey at the Air Resources Board
22 looking ahead at the regulatory scheme for heat pump
23 technology and how to move to lower-impact GHG refrigerants
24 over time, had a really good discussion with them about
25 that. This is clearly something that's outside of our

1 wheelhouse. And just as we're seeing the emergence of heat
2 pump technology and getting ahead of that is really
3 important, and had a very good dialogue with them about
4 that. And we're going to be coordinating much closer,
5 going in the future.

6 I also want to highlight that the Governor has a
7 new Climate Advisor, Lauren Sanchez, who a number of us
8 have worked with closely over the years. She was
9 instrumental in the success of the Governor's Executive
10 Order last September, implementing the 2035 Rule for new
11 vehicle sales to move to zero emission in California. And
12 she had been at CalEPA and prior to that had been at CARB
13 under Mary Nichols. Then went to do a stint with the White
14 House on John Kerry's team working on International
15 Climate. And has just come back in this new capacity is
16 the Governor's Climate Advisor. And we'll probably have
17 her in as a guest speaker at some point. But she's a
18 terrific friend to the Energy Commission in our mission and
19 I'm really happy to see her in that role.

20 I will also share we are going ahead with a visit
21 to tribes later, at which I think next week Commissioner
22 Douglas and I will be visiting using COVID safety protocols
23 and doing a bunch of site visits to projects we've funded
24 and meeting with various tribes over the course of next
25 week with a number of staff. And I want to thank

1 Commissioner Douglas and her team for all the work to set
2 that up.

3 And so I guess the last update I'd just spoke at
4 this forum on Lithium Valley. And just great momentum
5 happening with that obviously. We've contract-signed like
6 -- General Motors has signed a contract with CTR to use
7 lithium recovered from the Salton Sea for their companies
8 and their vehicles. And I expect a lot more, just great
9 momentum coming out of that Lithium Valley Commission. And
10 I want to thank Terra Weeks and my staff for her work on
11 drafting the report in collaboration with the Commission.
12 And I'm really very, very gratified that we've got that up
13 and moving and look forward to the completion of the
14 report.

15 And also just the process of all the stakeholders
16 getting to know each other. It's the old African proverb,
17 "If you want to go quickly, go alone. You want to go far,
18 go together." It really feels like we're doing that with
19 all the key stakeholders from the tribes to Imperial Valley
20 to the developers to the state agencies and local agencies.
21 So thank you to everyone who's been involved that.

22 And I will stop there and send it over to
23 Commissioner McAllister.

24 COMMISSIONER MCALLISTER: All right. Well, I'll
25 bring up the rear here. So I want to thank the Chair just

41

1 for all of your support on the Building Code item. I agree
2 it really is momentous. Obviously it has to go through the
3 whole implementation phase and will be effective January 1
4 of 2023, so we have a little bit of time before builders
5 will actually be subject to it.

6 But I think I wanted to just make a couple of
7 very quick comments. I mean, I spoke at some length at the
8 Business Meeting last week, but I wanted to just let my
9 colleagues on the Commission know that there are some
10 really great materials that our media shop has put
11 together. The press release itself that went out the day
12 of, but also kind of a sixish pager-like glossy that has
13 the high points on it that I think really does a good job
14 of locating the code in the broader kind of clean energy
15 transition in California is undergoing. And so if, as you
16 probably will, you get pings from reporters and other
17 stakeholders you can point them towards those documents,
18 those will be really helpful. So thanks to Lindsay and the
19 team for putting those together.

20 And I agree oftentimes solar gets a lot of the
21 attention and that's right, because it's a really important
22 part of our mix. But I think the pivot towards electric is
23 something that really has resonated very, very broadly,
24 because there a lot of states that have been wondering how
25 to go about this. And I think this really does kind of

1 provide them a lodestar for them to look at and unpack and
2 really think about, "Okay, it looks like this could be
3 doable, the market might be ready for this." And I think
4 it's really going to create some momentum, not just in our
5 state for that market, but much more broadly than that. So
6 it's really a lot of the expectations are high, I think,
7 for the impact.

8 And I think we'll see, as in previous code
9 cycles, the way that it will unfold will be smoother than
10 maybe some people might have thought. I mean, prices will
11 come down of the production, the supply chain and all the
12 installation sort of will -- the kinks will work itself out
13 relatively quickly. So anyway that's the hope and
14 expectation that we'll be in a different place in a couple
15 of years and have more possibilities even for decarbonizing
16 our building stock. Not only new construction but also the
17 huge stock of existing buildings, which is really where the
18 where the pot of gold at the end of the rainbow actually
19 is. We've got to move that needle.

20 So just a heads up on the IEPR, so many different
21 themes. I mean it's incredible just how much is going on
22 in every Commissioner office. We're all leading really
23 important things and it's gratifying to see a lot of the
24 dots being connected I think. It just feels like we're
25 living through this moment where big, big things are

1 happening. And you don't maybe quite understand that when
2 you're wading through it, but when you look back on it, it
3 sure seems like that's what's happening. And I feel like
4 that's what's going on across the board right now, and not
5 even just in the Commission but just across agency land.

6 And so that effects -- I want to just give folks
7 a heads up. There is a housing and climate interagency
8 working group now that that is working with the housing
9 agencies and PUC, ARB and HCD and the Building Standards
10 Commission, Housing Finance Agency, I've probably left
11 somebody off. And that the Governor's Office is very much
12 interested in just coordinating the housing element of our
13 economy in transition with the energy and climate element.
14 And so that's a little bit overdue, but I think it's nice
15 to be able to translate between the languages of the
16 housing world and the energy world, so that we're really
17 rolling in the same direction and housing policy supports
18 climate transition and vice versa. So that's a
19 (indiscernible) roughly monthly. And I anticipate
20 involving many of you, maybe all of you in that over the
21 next coming months.

22 The last is that I wanted to yes confirm that
23 I'll be visiting later this week, Thursday, with
24 Commissioner Monahan, Russell City. So really looking
25 forward to that and I think it's really looking forward to

1 both asking some tough questions, but also really seeing on
2 the ground and appreciating the collaboration that's going
3 on there as well. So we just want to echo the sentiments
4 of Commissioners Douglas and the Chair and Commissioner
5 Gunda.

6 So I think that's where I'll wrap up my comments.
7 Oh no, well there are some IEPR workshops coming up on
8 building decarb, just FYI everyone. It's on the 24th and
9 26th of this month. We're going to look at energy
10 efficiency and its decarbonization role, something that's
11 very California-centric in some ways, but I think important
12 to make sure that our metrics are correct and right. On
13 the 26th we're going to look at the HFC question that the
14 Chair referred to.

15 And then also we're going to start to unpack the
16 problem of embodied carbon that may not -- and likely won't
17 end up being in our wheelhouse entirely or even mostly, but
18 we want to just start that conversation. Because we're
19 getting a lot of stakeholders who want to know about,
20 "Okay, now that you're reducing the operational carbon
21 footprint of buildings, what about the embodied carbon in
22 the materials in the supply chain?" And so we're going to
23 start to think about that and see where that leads really.

24 And then another workshop later in the month, or
25 the next month on September the 10th in that same building

1 decarb track, so looking forward to all of those efforts.

2 And really appreciative of staff, for both IEPR
3 staff and Division staff for putting together a lot of
4 workshops in rapid succession. It's a huge amount of work,
5 but it's necessary and it's super-productive for the
6 Commission to do what we need to be getting done, so thanks
7 for the time.

8 CHAIR HOCHSCHILD: Thank you. You know,
9 colleagues, I forgot to share some fantastic news which we
10 got yesterday, which is that Commissioner Gunda has been
11 confirmed by the State Senate, so a real round of applause
12 for that.

13 Commissioner Gunda, you have been such an amazing
14 asset to the Energy Commission since you were appointed by
15 the Governor earlier this year. Come in, landed with two
16 feet on the ground, right away you knew the stuff, you knew
17 your assignment on supporting reliability and dealing with
18 many, many different stakeholders including our sister
19 agencies. And really shoring up our strategy, our
20 resources, getting us organized. Just have so appreciated
21 your focus and your professionalism, your kindness and your
22 collaboration. It's just been an honor to have you join
23 the Commission and we're so grateful that the Senate has
24 concurred to this assessment and look forward to many years
25 of partnering with you. I wonder if you'd like to say a

46

1 few words?

2 COMMISSIONER GUNDA: Yeah Chair, thank you so
3 much. I mean it was a really good feeling to hear that the
4 full Senate confirmed. And I think that (indiscernible)
5 was joking with my wife that the temp job extended from a
6 year to possibly five years of being able to do and serve
7 the State of California. So I mean I provided kind of my
8 thanks to a number of you over a number of Business
9 Meetings.

10 I do want to take this opportunity, Chair, to
11 just say thank you. Thank you from the bottom of my heart.
12 I would not have this opportunity without you, Commissioner
13 McAllister and Drew, collectively supporting everything
14 that I've done over the last four years. And so I just
15 want to thank the three of you specifically.

16 And to Commissioner Monahan and Commissioner
17 Douglas, it's just been an absolute pleasure to have this
18 kind of people who I can call my colleagues. So I mean, I
19 now introduce myself in meetings when I'm with Commission
20 McAllister that I am here with my mentor, and now a fellow
21 colleague. It's just an amazing feeling to have this
22 opportunity to serve.

23 I will send a note to all staff just kind of
24 sharing some of the goals I noted and both in my responses
25 to the Senate as well during my confirmation process, which

1 is aimed at really having CEC play a central coordination
2 role on policy and conveyance of ideation and that's
3 something I'm going to write.

4 But I just want to thank you, Chair Hochschild
5 and Commissioner McAllister, thanks for encouraging me to
6 join the CEC. And, Drew, for your undeterred support of me
7 in the staff role and that gave me a lot of opportunities
8 to take a leadership role. So thank you all of you, and
9 all of my colleagues at the CEC.

10 And if I go through I have to note 600 thanks, so
11 I will hold there and just say thanks to everybody.

12 CHAIR HOCHSCHILD: Well on behalf of all of us
13 congratulations. I will say the gray hair comes quick as
14 you can see in this job so (indiscernible) --

15 COMMISSIONER GUNDA: I know I have my ID from
16 four years ago when I joined CEC. And every once in a
17 while I look at both of them. (Laughter.)

18 CHAIR HOCHSCHILD: I've kept the picture on our
19 website from when I joined, it's a lot younger-looking than
20 the one there. So well congratulations.

21 Let's turn now to Item 4, Executive Director's
22 Report.

23 MR. BOHAN: Chair and Commissioners for the
24 record, might my grey hair is dyed, it's a style thing.

25 But I wanted to say thank you to all of you for

1 the trust you've placed in staff for these two items today.
2 We take this obligation with grave seriousness and it's a
3 circumscribed time period to get these reviews done. I
4 want you to know though that we've been working together,
5 staff have, to be prepared for this moment in anticipating
6 you might vote these two items out.

7 We have, by my clock, by the close of this, this
8 Friday to complete the form associated with Item 2 for the
9 generators. We are on track to do that. We will move, but
10 I want to just say that we are not leaving safety, both
11 human and environmental in any condition different from how
12 we've always treated those issues. It's the most important
13 thing we'll be looking at. And we think we can both move
14 quickly on these individually modest, but collectively very
15 important generation resources while doing it safely for
16 the public. Thank you.

17 CHAIR HOCHSCHILD: Thank you, Drew. Let's turn
18 now to Item 5 Public Advisor's Report.

19 MS. GALLARDO: Hi, there everybody. So I too
20 have earned a few gray hairs had during my time at the
21 Energy Commission, so I'll join you in that. I do not have
22 a report today Chair, but am ready to provide instructions
23 for the public comment if you would like me to go ahead and
24 do that.

25 CHAIR HOCHSCHILD: Yeah, let's turn to public

1 comment.

2 MS. GALLARDO: All right, so this is the period
3 for any person wishing to comment on information items or
4 reports of the meeting agenda or any other item. Each
5 person has up to three minutes to comment and comments are
6 limited to one representative per organization. We may
7 reduce the comment time depending on the number of
8 commenters.

9 Use the raise hand icon to indicate your interest
10 in making public comment. If you're on the phone press *9
11 to raise your hand and *6 to unmute. After you are called
12 on, please restate and spell your first and last names,
13 state your affiliation if you're representing a tribe,
14 agency, organization or any other type of entity. Do not
15 use the speakerphone when talking, because we won't hear
16 you clearly.

17 And now I will look to see if we have any hands
18 raised. And I do see we have a couple, so we will begin
19 with the person whose name is Chris R. Chris, a reminder
20 to please state your name, spell your first and last name,
21 indicate your affiliation if any. Your line is open and
22 you may begin.

23 MR. ROSENTHAL: Hi. My name is Chris Rosenthal,
24 it's C-h-r-i-s R-o-s-e-n-t-h-a-l. I have no affiliation
25 other than to myself and the State of California as I'm a

50

1 resident here.

2 I just was curious if the Commission was aware of
3 the severity of the hydrogen shortage down in Silicon
4 Valley where I live. I lease a hydrogen fuel cell vehicle
5 and I've really enjoyed it except for the fact that it's
6 incredibly challenging to get hydrogen fuel. In fact right
7 now as we speak all of the eight stations in my area are
8 offline and not serving hydrogen, which makes it very
9 difficult for me to use my vehicle to commute, to get to
10 work and to be really and truly a zero emissions car
11 holder. Because I parked my car I drive my gasoline-
12 powered car.

13 So I just wanted to bring this to your awareness
14 if you weren't aware of it. And was curious what is the
15 root cause and what is being done about it? So that's all
16 I had to say. Thank you for your time and your comments
17 and appreciate your help if you can give any.

18 CHAIR HOCHSCHILD: Thank you so much. Other
19 comments?

20 MS. GALLARDO: So there is one other hand raised,
21 now this is a person calling in. The phone number ends in
22 385. A reminder to please state your name, spell it,
23 indicate your affiliation if any. Your line is open and
24 you may begin.

25 MR. UHLER: Hello, can you hear me?

1 MS. GALLARDO: Yes, we can.

2 MR. UHLER: Okay, this is Steve Uhler, U-h-l-e-r.
3 A couple of things. This is a proceeding is held under a
4 docket for Business Meetings that in its title lists
5 agenda, but there's no agendas posted in the docket.
6 Please see that the agendas are timely posted into the
7 docket.

8 Another item on the docket, it appears that
9 somehow my titles that are listed in the logs are changed,
10 Title 20-1208-1 shows an emphasis on net retrieval. I add
11 these additional characters to my title for efficiency of
12 retrieval. I ask that you stop removing them or figure out
13 what -- if the system is removing them. There should be no
14 technical reason or any other reason to remove these
15 characters from my titles.

16 Now on to some of the things that Commissioner
17 had to say, did really consider the term "zero emission
18 vehicle," particularly in Sacramento county where at times
19 80 percent of the of the power is carbon-sourced. I call
20 it midnight tailpipes.

21 On to modeling, we need to plan for graceful
22 degradation. If you have this model, you should think
23 about belt and suspender approach and not to -- place that
24 model out there to be viewed and peer reviewed. It's
25 always good to have more than one method of arriving at your

1 answer. In forty years of running four and five models to
2 make sure we could build aircraft in this country, produce
3 semiconductors. And if you only have one model you need to
4 change that. You also want to make sure that we don't make
5 this too heavy to fly by putting too many power plants out
6 there and raising the costs.

7 Let's see what else have we got here. If you
8 want to talk about dodging a bullet, one of the things you
9 need to bear in mind is that Apollo 13 incident, the defect
10 happened two years before that craft ever left the earth.
11 I believe that you've got some defects in your data systems
12 that are going to lead us to a situation that you didn't
13 plan for, a decimal point in the wrong place, a cratered
14 craft on Mars. I don't want to crater anything on the
15 earth, so make sure that all of these models and all of
16 these decisions are out there and we can look at these
17 systems to make sure that there are no errors. I've found
18 errors that would completely eliminate sections of models,
19 I found reciprocals, which would nullify. So I want to see
20 this model that led to making the decision here today.

21 Thank you.

22 MS. GALLARDO: Thank you.

23 I do not see any other hands, Chair, but I do
24 want to remind all attendees actually if you do have a
25 question that you need help with, you can always reach out

1 to the Public Advisor's Office by email at
2 publicadvisor@energy.ca.gov. I as the Public Advisor, can
3 help you get ahold of a subject matter expert who can
4 respond, or see if we can address your issue that you are
5 having. You can also call our phone number as well, so I
6 will provide that information in the chat box, so you can
7 see that. And that's all for public comment, Chair.

8 CHAIR HOCHSCHILD: Okay. Thank you, Noemi.

9 Let's turn now to Item 7, Chief Counsel's Report.

10 MS. WILLIS: Thank you, Chair. We do not have a
11 report for today, but we would like to add our
12 congratulations to Commissioner Gunda. It's always been a
13 pleasure to work with him.

14 CHAIR HOCHSCHILD: Thank you so much, Kerry.

15 All right, with that the meeting is adjourned.

16 Thanks everybody.

17 (The Business Meeting adjourned at 3:41 p.m.)

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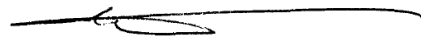
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And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

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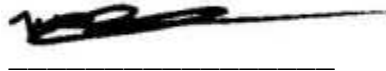
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Myra Severtson
Certified Transcriber
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