

State of California
California Energy Commission
Minutes of the January 17, 2018, Energy Commission Business Meeting

The meeting was called to order by Chair Weisenmiller. The Pledge of Allegiance was led by Chair Weisenmiller.

Present:

Robert B. Weisenmiller, Chair
Karen Douglas, Commissioner

J. Andrew McAllister, Commissioner
Janea A. Scott, Commissioner

THE COMMISSION WILL CONSIDER AND MAY TAKE ACTION ON THE FOLLOWING ITEMS:

1. CONSENT CALENDAR. (Items on the Consent Calendar 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. LOS ANGELES DEPARTMENT OF WATER & POWER (LADWP) PETITION FOR CORRECTION TO TRANSCRIPT. Possible order approving all or portions of LADWP's petition, submitted pursuant to California Code of Regulations, title 20, section 1105, for corrections to the October 11, 2017 Business Meeting transcript. Contact: Mona Badie.
 - b. PACIFIC GAS & ELECTRIC'S (PG&E) REQUEST TO USE THE DATA COLLECTION AND ANALYSES COMPLIANCE OPTION. Proposed resolution approving PG&E's request to use the data collection and analyses compliance option under California Code of Regulations, Title 20, Section 1343(f), which allows utilities to participate in certain research projects, including the California Commercial End-Use Survey (CEUS), in lieu of completing the survey plans, surveys, and reports described in California Code of Regulations, Title 20, Sections 1343(b)-(e). Contact: Sylvia Bender.
 - c. PACIFIC NORTHWEST NATIONAL LABORATORY. Proposed resolution approving Amendment 2 to Contract 600-15-014 with the Pacific Northwest National Laboratory (PNNL) operated by Battelle Memorial Institute for the U.S. Department of Energy to extend the agreement by 24 months until March 31, 2023 and expand the scope of work to allow PNNL to conduct safety plan reviews for additional hydrogen refueling stations and renewable hydrogen transportation fuel production facilities and systems. No additional funds are being added to the contract. Contact: Chris Jenks.
 - d. GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT. Proposed resolution approving Amendment 1 to Contract 600-17-002 with the Governor's Office of Business and Economic Development (GO-Biz) to augment the contract by \$150,000 and extend the contract for 14 months. This amendment will fund select activities in the Zero-Emission Vehicles Infrastructure Unit within GO-Biz for an additional year. The unit activities include facilitating the growth of the hydrogen fueling station infrastructure and the electric vehicle charging infrastructure by working with local, state and federal government agencies; hydrogen station developers and hosts; electric vehicle charging planners,

installers, and hosts; automobile companies; and other stakeholders. (ARFVTP funding) Contact: Sebastian Serrato.

- e. UNIVERSITY OF CALIFORNIA, BERKELEY, ENERGY INSTITUTE AT HAAS SCHOOL OF BUSINESS. Proposed resolution approving Agreement 800-17-001 with the University of California, Berkeley, Energy Institute at Haas School of Business for a \$12,500 contract to co-sponsor the 2018 POWER Conference on Energy Research and Policy scheduled in Berkeley, California on March 23, 2018. The 2018 POWER Conference will be the 23rd annual conference focusing on electricity markets and systems. (ERPA funding) Contact: Lynn Marshall.
- f. VERDEXCHANGE. Proposed resolution approving a Purchase Order with the VerdeXchange, for \$4,999 to co-sponsor the 2018 VerdeXchange Conference in Los Angeles, California taking place January 29 -30, 2018; and approving use of the California Energy Commission logo in co-sponsorship advertisements. (EPIC funding) Contact: Lorraine Gonzalez.
- g. MEMBERSHIP IN THE CALIFORNIA FUEL CELL PARTNERSHIP (CAFCP). Proposed resolution approving agreement 600-17-003 with Frontier Energy, Inc. for a one year membership in the California Fuel Cell Partnership (CaFCP) in the amount of \$70,000. Frontier Energy, Inc facilitates and coordinates the efforts of the CaFCP, including operational, financial, and project management. As a member of the CaFCP the Energy Commission will have a seat on the CaFCP's Steering Committee and will participate in the Working Group, Station Implementation Group, and other various committees. (ARFVTP funding) Contact: Jennifer Masterson.

The Chair announced that Item 14 will be held and that Commissioner Hochschild is absent. Commissioner Scott announced that she will recuse herself from Item 1g due to her participation as a member of the California Fuel Cell Partnership. Commissioner Douglas moved and Commissioner Scott seconded approval of Items 1a – 1f. The vote was 4-0. Commissioner Scott left the room. Upon Commissioner Scott returning, Commissioner Douglas moved Item 1g and Commissioner McAllister seconded. The vote was 3-0.

2. ENERGY COMMISSION COMMITTEE APPOINTMENTS. Possible approval of appointments to the Energy Commission's Standing Committees and Siting Case Committees. Contact: Leonidas Payne. (5 minutes)
 - a. MCLAREN BACKUP GENERATING FACILITY (17-SPPE-01). Proposed order appointing a Siting Committee for the McLaren Backup Generating Facility, a power producing facility consisting of 48 diesel-fueled generators to provide less than 100 MW backup generation for the McLaren Data Center in Santa Clara, California. Applicant Vantage Data Centers filed an application on December 26, 2017 requesting a Small Power Plant Exemption (SPPE) which, if granted, would exempt the project from the California Energy Commission's licensing requirements.

Commissioner Douglas moved and Commissioner Scott seconded approval of Item 2. The vote was 4-0. The Chair announced that Commissioner Douglas will be Presiding Member and Commissioner Scott will be the Associate Member of the Siting Committee.

3. ORDER INSTITUTING RULEMAKING PROCEEDING (17-AAER-05). Proposed order instituting rulemaking to consider amendments to the Appliance Efficiency Regulations, contained in the California Code of Regulations, Title 20, sections 1601 to 1609. Specifically, the Commission will consider establishing efficiency standards, test procedures, marking requirements, certification requirements, and any other appropriate

regulations for air compressors, commercial and industrial fans and blowers, hearth products, high color rendering index linear fluorescent lighting, portable air conditioners, and uninterruptable power supplies, and to make other clarifying changes as necessary. The goal of this rulemaking is to reduce excessive energy consumption from these appliances sold in the state. Contact: Ryan Nelson. (Staff presentation: 10 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of Item 3. The vote was 4-0.

4. CITY OF BIG BEAR LAKE, DEPARTMENT OF WATER & POWER. Proposed resolution approving Agreement 003-17-ECD with the City of Big Bear Lake, Department of Water & Power for a \$1,141,000 loan at one percent interest to install 275 kW PV panels to pump water. On completion, the project will reduce about 459,000 kWh of grid electricity consumption annually, saving the Department about \$136,600 in utility costs. Based on the loan amount, the simple payback is 8.4 years. (ECAA funding) Contact: Shahid Chaudhry. (Staff presentation: 5 minutes)

Commissioner McAllister moved and Commissioner Scott seconded approval of Item 4. The vote was 4-0.

5. CITY OF SANTA CRUZ. Proposed resolution approving Amendment 3 to ECAA Loan Agreement 002-15-ECD with the City of Santa Cruz to increase the budget for a Comprehensive Mechanical System Upgrade at the City Hall Annex building to \$531,000, to delete two measures from the project scope (Exhaust Fans at the City Hall – Historic building and Attic Insulation at the Fire Administration building) and to increase the project cost by \$127,652. (ECAA funding) Contact: Monica Rudman. (Staff presentation: 5 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of Item 5. The vote was 4-0.

6. ALPAUGH UNIFIED SCHOOL DISTRICT. Proposed resolution approving Agreement 002-17-ECG with Alpaugh Unified School District for a \$2,100,000 loan at zero percent interest for four separate ground mounted fixed photovoltaic canopy array systems for a total of 410.4 kWdc. The project is estimated to save the district 656,024 kWh electricity, resulting in annual energy cost savings of \$131,205. Based on the loan amount, the simple payback is 16.1 years. (ECAA-Ed funding) Contact: Nelson Pena. (Staff presentation: 5 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of Item 6. The vote was 4-0.

7. SEQUOIA UNION HIGH SCHOOL DISTRICT. Proposed resolution approving Agreement 003-17-ECG with Sequoia Union High School District for a \$2,200,000 loan at zero percent interest for canopy mounted fixed axis photovoltaic systems for a total of 777 kWdc. The project is estimated to save the district 1,277,000 kWh electricity, resulting in annual energy cost savings of \$199,000. Based on the loan amount, the simple payback is 11.1 years. (ECAA-Ed funding) Contact: Balraj S. Sandhu. (Staff presentation: 5 minutes)

Commissioner McAllister moved and Commissioner Scott seconded approval of Item 7. The vote was 4-0.

8. THE NATIONAL ACADEMIES OF SCIENCES, ENGINEERING, AND MEDICINE. Proposed resolution approving Agreement 300-17-001 with The National Academies of Sciences, Engineering, and Medicine for a \$199,000 contract to plan and convene a two-

day workshop in Washington, D.C. to discuss planning for climate resilience, webcast and post recordings of the workshop online, prepare and publish a rapporteur-authored report and a workshop highlights document, and use a variety of social media platforms to engage a broad audience. (ERPA funding) Contact: Reta Ortiz. (Staff presentation: 5 minutes)

Commissioner Douglas moved and Commissioner McAllister seconded approval of Item 8. The vote was 4-0.

9. SOUTHERN CALIFORNIA EDISON. Proposed resolution approving Agreement EPC-17-024 with Southern California Edison (SCE) for a \$2,000,000 grant to support the development of an Industrial Internet of Things approach that can autonomously identify and authenticate distributed energy resources (DER) for streamlining integration to the utility control system and access to energy markets. The project will also develop a real-time constraint management control system to increase hosting capacity for DER. SCE will incorporate these findings into grid planning and operations to demonstrate reduced customer interconnection time for DER. The U.S. Department of Energy will be providing \$4,188,000 in cost share funding for this project. (EPIC funding) Contact: Tanner Kural. (Staff presentation: 5 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of Item 9. The vote was 4-0.

10. SAN FRANCISCO STATE UNIVERSITY. Proposed resolution approving Agreement 500-17-003 with San Francisco State University for a \$249,947 contract to identify and recommend market-ready and advanced energy technologies that will reduce energy costs, increase efficiency, and reduce greenhouse gas emissions and other pollutants for California's food processing industry. (Natural Gas funding) Contact: Cyrus Ghandi. (Staff presentation: 5 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of Item 10. The vote was 4-0.

11. INVESTMENT PLAN UPDATE FOR THE ALTERNATIVE AND RENEWABLE FUEL AND VEHICLE TECHNOLOGY PROGRAM. Proposed resolution approving modifications to funding allocations for the 2016-2017 and 2017-2018 Investment Plan Updates for the Alternative and Renewable Fuel and Vehicle Technology Program. The modifications swap \$3,517,715 in FY 2016-2017 Biofuel Production and Supply funding with an equal amount of FY 2017-2018 Emerging Opportunities funding, and shift \$2,004,582 in FY 2016-2017 funding from Natural Gas Fueling Infrastructure to Electric Vehicle Charging Infrastructure. (ARFVTP funding) Contact: Jacob Orenberg. (Staff presentation: 5 minutes)

Commissioner Scott moved and Commissioner McAllister seconded approval of Item 11. The vote was 4-0.

12. CALIFORNIA STATE UNIVERSITY LONG BEACH. Proposed resolution approving Amendment 1 to Contract Agreement 600-16-006 with the Trustees of the California State University, on behalf of the Long Beach campus to expand the scope of work, augment the agreement with \$150,000, and extend the term of the agreement. This augmentation provides funds to CSU Long Beach to identify and prioritize workforce opportunities associated with the implementation of California's Sustainable Freight Action Plan, including preparing career pathway maps and developing/implementing a Freight Workforce Development Pilot Project. (ARFVTP funding) Contact: Larry Rillera. (Staff presentation: 5 minutes)

Commissioner Scott moved and Commissioner Douglas seconded approval of Item 12. The vote was 4-0.

13. CRIMSON RENEWABLE ENERGY LP. Proposed resolution approving Agreement ARV-17-014 with Crimson Renewable Energy LP for a \$4,463,246 grant to design, construct, and operate a 3rd-generation commercial-scale biodiesel refinery directly adjacent to its existing 2nd-generation biodiesel production plant. When fully operational, the new facility will convert a variety of low-value feedstocks characterized by very high levels of free fatty acids, sulfur, and other impurities, such as trap grease from food service establishments, low-quality inedible animal fats, and soap stocks. The production facility will produce over 11 million diesel gallon equivalents of biodiesel fuel and a high-quality glycerin co-product. (ARFVTP funding) Contact: Taiying Zhang (Staff presentation: 5 minutes)

Commissioner Scott moved and Commissioner McAllister seconded approval of Item 13. The vote was 4-0.

14. SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT. Proposed resolution approving Agreement RMB600-17-004 with the South Coast Air Quality Management District (SCAQMD) on behalf of the Mobile Source Air Pollution Reduction Review Committee (MSRC) to provide \$3,000,000 in funding to be administered by the Energy Commission for hydrogen refueling station grant agreements within SCAQMD's jurisdiction. Cooperation between SCAQMD, MSRC and the Energy Commission will ensure that hydrogen refueling infrastructure funding decisions are optimized to meet the complementary objectives of MSRC and the Energy Commission. Contact: Phil Cazel. (Staff presentation: 5 minutes)

Item 14 was held. No action taken.

15. LIGHT-DUTY VEHICLE HYDROGEN REFUELING INFRASTRUCTURE, GFO-15-605. This solicitation sought proposals to fund projects that expand the network of publicly accessible hydrogen refueling stations to serve the growing number of zero emission fuel cell electric vehicles deployed in California. (ARFVTP funding) Contact: Phil Cazel. (Staff presentation: 5 minutes)
 - a. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-17-015 with FirstElement Fuel, Inc. for a \$1,980,285 grant to develop a hydrogen refueling station at 503 Whipple Avenue, Redwood City, CA 94063. This station will increase the reliability of the hydrogen refueling network in the San Mateo County area and the surrounding communities.
 - b. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-17-016 with FirstElement Fuel, Inc. for a \$1,920,285 grant to develop a hydrogen refueling station at 3780 Cahuenga Blvd., Studio City, CA 91604. This station will increase the reliability of the hydrogen refueling network in the Los Angeles County area and the surrounding communities.
 - c. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-17-017 with FirstElement Fuel, Inc. for a \$1,905,285 grant to develop a hydrogen refueling station at 9988 Wilshire Blvd., Beverly Hills, CA 90210. This station will increase the reliability of the hydrogen refueling network in the Los Angeles County area and the surrounding communities.
 - d. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-17-018 with FirstElement Fuel, Inc. for a \$1,897,785 grant to develop a hydrogen refueling station at 15544 San Fernando Mission Blvd., Mission Hills, CA 91345.

This station will increase the reliability of the hydrogen refueling network in the Los Angeles County area and the surrounding communities.

Commissioner Scott moved and Commissioner McAllister seconded approval of Item 15. The vote was 4-0.

16. DISCUSSION OF ENERGY COMMISSION PROGRESS RE: IMPLEMENTATION OF THE CLEAN ENERGY AND POLLUTION REDUCTION ACT OF 2015 (SB 350). Staff presentation regarding progress on implementation of SB 350 requirements, including administration of the California Renewables Portfolio Standard program, review of local publicly owned electric utility integrated resource plans, revision of Commission data collection regulations to improve demand forecasting, identification of progress in meeting the bill's goals of 50% renewables procurement and doubling of energy efficiency, implementation of widespread transportation electrification, and preparation and publication of the study required by Public Resources Code section 25327 regarding barriers for low-income customers to energy efficiency, weatherization, and renewable energy investments. Contact: Michael Sokol. (Staff presentation: 5 minutes)

Staff presented Information Item 16.

17. **Minutes:** Possible approval of the December 13, 2017 Business Meeting minutes.

Commissioner Douglas moved and Commissioner McAllister seconded approval of Item 17. Commissioner Scott abstained. The vote was 3-0.

18. **Lead Commissioner or Presiding Member Reports.** The Commissioners reported on their recent activities.
19. **Chief Counsel's Report.** The Chief Counsel gave a report.
20. **Executive Director's Report.** The Executive Director gave a report.
21. **Public Adviser's Report.** None.
22. **Public Comment.** None.

Appearances:

(*by telephone)

*Harry Simpson, Crimson Renewable Energy

*Thomas Lawson, California Natural Gas Vehicle Coalition

*Andrew Martinez, California Air Resources Board

*Matt McClory, Toyota Motor North America

*Stephen Ellis, American Honda Motor Company

Frank Ramirez, GO-Biz

Gia Vacin, GO-Biz

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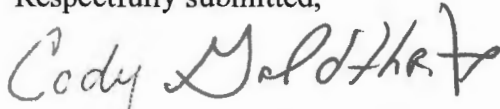
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Joel Ewanick, FirstElement Fuel
Bill Elrick, California Fuel Cell Partnership
Jay Friedland, Zero Motorcycles

There being no further business, the meeting was adjourned.

Respectfully submitted,



CODY GOLDTHRITE
Secretariat

