

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Business Meeting Minutes

of

August 8, 2001

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The meeting was called to order by Chairman Keese at 10 a.m.

Pledge of Allegiance was given by Commissioner Laurie.

William J. Keese	Present
Michal Moore	Present
Robert Laurie	Present
Robert Pernell	Absent
Arthur Rosenfeld	Absent
James D. Boyd, Ex-Officio	Present

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 discussed and moved to later on the agenda.)
 - a. COMMISSION CO-SPONSORSHIPS. Possible approval of two co-sponsorship requests for which the Energy Commission will lend its name, include promotional material with regularly scheduled mailings and possibly provide financial support.
 - Department of Energy's "Energy Solutions for California Industry: Ways to Improve Operations and Profitability", August 14, 2001, Radisson Hotel, Sacramento, California.
 - National Renewable Energy Lab's 14th Industry Growth Forum, November 6-7, 2001, San Francisco Bay Area, California.
 - b. SEAWEST WINDPOWER, INC. Consideration and possible approval of a request by SeaWest WindPower, Inc., to assign its funding award under Notice of Auction 500-97-506 for the Phoenix-1 Project to PacifiCorp Power Marketing, Inc.

Commissioner Moore moved and Commissioner Laurie seconded approval of the Consent Calendar. The motion passed by a unanimous vote. (3-0)

2. SUNRISE SIMPLE-CYCLE INJECTION WELL AMENDMENT. Possible approval of the construction of a 2.5-mile underground pipeline to two-wastewater injection wells to dispose of wastewater associated with the simple-cycle effluent from CTG washes.

Commissioner Laurie moved and Commissioner Moore seconded the approval of Sunrise's construction of a 2.5-mile underground pipeline to two wastewater injection wells to dispose of wastewater associated with the simple-cycle effluent from CTG washes. The motion passed by a unanimous vote. (3-0)

3. HUNGARIAN ENERGY OFFICE. Possible approval of a Memorandum of Understanding to renew the cooperative agreement for the exchange of energy analysis, efficiency and licensing information, technical cooperation and exploration of business opportunities for California energy companies in Hungary.

Commissioner Laurie moved and Commissioner Moore seconded the approval of a Memorandum of Understanding to renew the cooperative agreement for the exchange of energy analysis, efficiency and licensing information, technical cooperation and exploration of business opportunities for California energy companies in Hungary. The motion passed by a unanimous vote. (3-0)

4. CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS). Possible approval of Interagency Agreement 600-01-004 for \$81,049 to establish four LPG fueling stations. The Commission supports the development and deployment of LPG-fueled vehicles in order to advance the goals to diversify transportation fuels, reduce vehicle emissions and improve air quality.

Commissioner Moore moved and Commissioner Laurie seconded the approval of Interagency Agreement 600-01-004. The motion passed by a unanimous vote. (3-0)

5. RESIDENTIAL BUILDING ENERGY EFFICIENCY STANDARDS. Commission consideration and possible approval of the public domain computer program CALRES2 Version 1.4 effective August 8, 2001 for use in complying with the 2001 (AB 970) Residential Building Energy Efficiency Standards. Also effective August 8, 2001, decertification and rescission of approval of CALRES2 Version 1.35 for use in complying with the Residential Building Energy Efficiency Standards.

The item was moved to the August 22, 2001 Business Meeting.

6. RESIDENTIAL MANUAL. Consideration and possible approval of the Residential Energy Conservation Manual for the 2001 (AB 970) Building Efficiency Standards.

The item was moved to the August 22, 2001 Business Meeting.

7. CHULA VISTA PEAKER PROJECT (Docket No. 01-EP-3). Consideration and possible approval of a petition for reconsideration of the RAMCO Chula Vista Peaker Project, filed by the city of Chula Vista. In the alternative, the Commission may consider the city of Chula Vista's petition as a complaint pursuant to Title 20, California Code of Regulations, Section 1231.

The item was moved to the August 22, 2001 Business Meeting.

8. COLUSA POWER PLANT PROJECT. Commission consideration of the Executive Director's Data Adequacy Recommendation for the Colusa Power Plant Project Application for Certification. A 500-megawatt power plant located in Colusa County (Docket No. 01-AFC-10).

The item was moved to the August 15, 2001 Business Meeting.

9. COLUSA POWER PLANT PROJECT. Possible approval of a Committee for the Colusa Power Plant Project Application for Certification (Docket No. 01-AFC-10).

The item was moved to the August 15, 2001 Business Meeting.

10. Minutes

No minutes were presented.

11. Energy Commission Committee and Oversight

Commissioner Laurie commented on the pending [SB] 86x[x] [(Peace)] legislation. The Commissioners had previously expressed its views on this legislation at the July 11, 2001 Business Meeting. Commissioner Laurie expressed concern that the role of the California Power Authority is not clearly defined in the legislation, specifically that the bill seemed to grant the Power Authority free entitlements to any power plant licensed that did not get built by its scheduled on-line date. He stated that it did not appear that anybody had given consideration to the impact that this might have on private investment. Commissioner Moore suggested the Commissioners determine if it is necessary for them to revise their previous legislative recommendation. Chairman Keese asked that Tim Schmelzer provide the Commissioners with a bill analysis to clarify the issues brought up by Commissioner Laurie by the next Business Meeting (August 15, 2001).

Commissioner Moore expressed concern about an item that is before the California Public Utilities Commission (PUC) which ties the electricity rates to the costs incurred by the Department of Water Resources (DWR) for electricity purchases. Chairman Keese asked Kent Smith if the Energy Commission had commented to the PUC on this issue, to which Mr. Smith responded that the Energy Commission had not. Mr. Boyd provided a summary of the item before the PUC, stating the DWR purchased electricity to "keep the lights on in the absence of anyone else's ability to do so." He added the PUC was considering adopting a policy "that would assure that the DWR/the people of the State of California get their money back through rate systems that assure that." Commissioner Moore asked Mr. Schmelzer if the PUC was considering this item at its own discretion or because it was mandated by the Legislature. Commissioner Laurie asked Mr. Schmelzer to prepare a brief memo for the following week to explain the item before the PUC and determine whether it is guided by legislation or it is being developed independent of a legislative mandate.

12. Chief Counsel's Report

Acting Chief Counsel Jonathan Blees requested an Executive Session be held.

13. Executive Director's Report

Kent Smith reported that the Executive Director would be back in the office on Monday, August 13, 2001.

14. Public Adviser's Report

No report was given.

15. Public Comment

Mr. Orville Moe proposed that the California State University Channel Islands campus in Camarillo convert an existing 28-megawatt turbine power plant, which is no longer in use, to use renewable digester fuel technology.

Commissioner Moore commented that Mr. Moe had played an instrumental role in getting a similar facility operational at Las Virgenes. Commissioner Moore further recommended that this proposal be referred to the Renewables Committee so that it could be commented on further.

Mr. Boyd and Commissioner Moore commented further on the testimony of Mr. Moe and commended his efforts in the area of digester fuel technology.

The meeting was adjourned at 10:35 a.m.

BETTY McCANN
Secretary to the Commission