

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Business Meeting Minutes

of

October 17, 2001

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The meeting was called to order by Acting Chairman Moore at 10 a.m., at which time he announced that there was not a quorum and that the meeting would recess until 5:30 p.m.

The meeting was reconvened by Acting Chairman Moore at 5:30 p.m.

Pledge of Allegiance was given by Commissioner Pernell.

William J. Keese	Present (via telephone)
Michal Moore	Present
Robert Laurie	Present (arrived late)
Robert Pernell	Present
Arthur Rosenfeld	Present
James D. Boyd, Ex-Officio	Present

Note: The items on the agenda were not addressed sequentially . The agenda items were addressed in the following order: 1, 13, 14, 15, 16, 12, 3, 4, 5, 6, 11, 2, 7, 8, 9, 10, 17, 18, 19, 20, 21, 22. Commissioner Laurie arrived prior to the discussion of item 15, the third item heard. Chairman Keese joined the meeting via telephone prior to the discussion of item 11, the eleventh item heard.

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-SPONSORSHIP. Possible approval of three co-sponsorship requests for which the Energy Commission will lend its name, include promotional material with regularly scheduled mailings and possibly provide financial support.
 - California Air Tech 2001: An International Conference on Urban Air Pollution Technologies and Solutions, November 5-6, 2001, Disneyland Hotel Entertainment and Conference Center, Anaheim , California.
 - CADER, Distributed Generation: Opportunities & Obstacles, November 1-2, 2001, Catamaran Resort Hotel, San Diego, California.
 - The Transportation-Land Use-Environment Connection 2001 Arrowhead Symposium, Fall 2001, UCLA Conference Center at Lake Arrowhead, California.

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

2. COMMISSION POLICY DISCUSSION and possible resolution pertaining to waiver of statutory provisions in Public Resources Code section 25552 relating to the four month licensing process.

Commissioner Pernell moved and Commissioner Rosenfeld seconded the approval of the resolution waiving certain statutory provisions in Public Resources Code section 25552 relating to the four month licensing process. The item was approved (3-2). Acting Chairman Moore and Commissioner Laurie voted against approval.

3. ROSEVILLE ENERGY FACILITY. Commission consideration of the Executive Director's Data Adequacy Recommendation for the Roseville Energy Facility Application for Certification. This is a 12-month, 900-megawatt power plant located west of the city of Roseville (Docket No. 01-AFC-14).

Commissioner Laurie moved and Commissioner Rosenfeld seconded the approval of the Executive Director's Recommendation that the Roseville Energy Facility Application for Certification be found data adequate. The motion passed by a unanimous vote. (4-0)

4. ROSEVILLE ENERGY FACILITY. Possible approval of a Committee for the Roseville Energy Facility Application for Certification (Docket No. 01-AFC-14).

Acting Chairman Moore moved and Commissioner Pernell seconded the approval of the assignment of Commissioner Laurie as the Presiding Committee Member and Chairman Keese as the Second Committee Member for the Committee for the Roseville Energy Facility Application for Certification. The motion passed by a unanimous vote. (4-0)

5. SMUD COSUMNES POWER PLANT PROJECT. Commission consideration of the Executive Director's Data Adequacy Recommendation for the SMUD Cosumnes Power Plant Project Application for Certification. This is a 12-month, 1,000-megawatt power plant located in the county of Sacramento (Docket No. 01-AFC-19).

Commissioner Pernell moved and Commissioner Laurie seconded the approval of the Executive Director's Recommendation that the SMUD Cosumnes Power Plant Project Application for Certification be found data inadequate and that this item be brought back at the October 31, 2001 Business Meeting. The motion passed by a unanimous vote. (4-0)

6. SMUD COSUMNES POWER PLANT PROJECT. Possible approval of a Committee for the SMUD Cosumnes Power Plant Project Application for Certification (Docket No. 01-AFC-19).

The item was moved to the October 31, 2001 Business Meeting.

7. GWF ENERGY, LLC HENRIETTA PEAKER PROJECT. Commission consideration of the Executive Director's Data Adequacy Recommendation for the GWF Energy, LLC Henrietta Peaker Project Application for Certification. This is a 4-month, 91.4-megawatt power plant located in Kings County (Docket No. 01-AFC-18).

Commissioner Laurie moved and Commissioner Pernell seconded the approval of the Executive Director's Recommendation that the GWF Energy, LLC Henrietta Peaker Project Application for Certification be found data adequate. The motion passed by a unanimous vote. (5-0)

8. GWF ENERGY, LLC HENRIETTA PEAKER PROJECT. Possible approval of a Committee Assignment for the GWF Energy, LLC Henrietta Peaker Project Application for Certification. This is a 4-month, 91.4 megawatt power plant located in Kings County (Docket No. 01-AFC-18).

Commissioner Pernell moved and Commissioner Laurie seconded the approval of the assignment of Commissioner Rosenfeld as the Presiding Member and Acting Chairman Moore as the Second Member for the Committee for the GWF Energy, LLC Henrietta Peaker Project Application for Certification. The motion passed by a unanimous vote. (5-0)

9. TRACY PEAKER PROJECT. Commission Consideration of the Executive Director's Data Adequacy Recommendation for the Tracy Peaker Project Application for Certification. This is a 4-month, 169-megawatt power plant located right outside the city of Tracy (Docket No. 01-AFC-16).

Commissioner Laurie moved and Acting Chairman Moore seconded the approval of the Executive Director's Recommendation that the Tracy Peaker Project Application for Certification be found data adequate. The motion passed by a unanimous vote. (5-0)

10. TRACY PEAKER PROJECT. Possible approval of a Committee for the Tracy Peaker Project Application for Certification (Docket No. 01-AFC-16).

Commissioner Pernell moved and Commissioner Rosenfeld seconded the approval of the assignment of Commissioner Pernell as the Presiding Member and Commissioner Laurie as the Second Member for the Committee for the Tracy Peaker Project Application for Certification. The motion passed by a unanimous vote. (5-0)

11. VALERO CO-GENERATION PROJECT (01-AFC-5). Commission consideration and possible adoption of the Presiding Member's Proposed Decision for the Valero Co-Generation Project. This is a 4-month, 102-megawatt power plant located in the city of Benicia in Solano County.

Chairman Keese joined the Business Meeting via telephone prior to the discussion of this item. Commissioner Rosenfeld moved and Chairman Keese seconded the approval of the Valero Co-Generation Project. The motion failed to pass (2 in favor, 3 against), and the item will be heard again at the October 31, 2001 Business Meeting. Acting Chairman Moore, Commissioner Laurie, and Commissioner Pernell voted against . against approval.

12. CITY OF SANTA MONICA. Commission consideration and possible approval of the city of Santa Monica's Application for a Local Energy Standard that exceed the Title 24 Part 6 Standards that were adopted by the Commission on April 4, 2001, effective date June 1, 2001.

Commissioner Pernell moved and Commissioner Rosenfeld seconded the approval of the city of Santa Monica's Application for a Local Energy Standard that exceeds the Title 24 Part 6 Standards that were adopted by the Energy Commission on April 4, 2001, effective date June 1, 2001. The motion passed by a unanimous vote. (4-0)

13. RENEWABLE RESOURCE TRUST FUND. Possible approval of two funding agreements awarded through the second auction for new renewable resources, the results of which were announced in December 2000.

- a. MOUNTAIN VIEW POWER PARTNERS LLC, ALEXANDER 4 PROJECT, agreement #REN-01-066 for \$382,834 for a 3.6-megawatt wind project.
- b. MOUNTAIN VIEW POWER PARTNERS LLC, CATELLUS 6 PROJECT, agreement #REN-01-067 for \$191,417 for a 1.8-megawatt wind project.

Commissioner Rosenfeld moved and Commissioner Pernell seconded the approval of two funding agreements awarded through the second auction for new renewable resources (#REN-01-066 and #REN-01-067). The motion passed by a unanimous vote. (3-0)

14. STRATEGIC ENERGY INNOVATIONS. Possible approval of Contract 400-00-057 for \$30,000 to provide seed money to form a Multifamily Energy Consortium of all utility entities in California to share ideas and develop a uniform method of delivering/marketing low-income programs.

This item was moved to the October 31, 2001 Business Meeting.

15. TRUEWIND SOLUTIONS, LLC. Possible approval of Contract 500-01-009 for \$150,000 to develop high-resolution annual and seasonal wind resource maps for California.

Commissioner Laurie arrived prior to the discussion of this item. Commissioner Rosenfeld moved and Commissioner Pernell seconded the approval of Contract 500-01-009. The motion passed by a unanimous vote. (4-0)

16. SIERRA ENERGY AND RISK ASSESSMENT, INC. Possible approval of Contract 700-01-001 for \$65,000 to assist in estimating the probabilities of climatic events occurring, to help analyze and determine the natural gas infrastructure design criteria and reliability standards, to provide higher levels of slack capacity, associated with climatic conditions, such as a dry year, or an adverse cold day or a combination of these or other climatic factors.

Acting Chairman Moore moved and Commissioner Rosenfeld seconded the approval of Contract 700-01-001. The motion passed by a unanimous vote. (4-0)

17. Minutes

No minutes were presented.

18. Energy Commission Committee and Oversight

Acting Chairman Moore addressed an incident that occurred at a refinery in Martinez, California on October 17, 2001. He stated that the incident could affect petroleum supplies in the State and prices for the overall petroleum market. More broadly, he stated, the Energy Commission needs to address public safety issues more expeditiously. Acting Chairman Moore noted that he had not become aware of the incident in a timely manner, and that he found that unacceptable. He stated further that the Energy Commission needed to be in a position to advise the Governor's Office on the implications such an event might have on the energy market, especially in light of the recent terrorist events. The Commissioners need to rely on the input of Energy Commission staff in the event of an emergency. He suggested that the Executive Office assign key staff to provide the Commissioners with free flowing information in the event of an emergency and under normal circumstances. This, he stated, would be consistent with prior practices of the Energy Commission.

19. Chief Counsel's Report

Chief Counsel Bill Chamberlain requested a closed Executive Session.

20. Executive Director's Report

No report was given.

21. Public Adviser's Report

No report was given.

22. Public Comment

No public comments were received.

The meeting was adjourned at 9:00 p.m.

BETTY McCANN
Secretary to the Commission