

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Business Meeting Minutes

of

October 31, 2001

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The meeting was called to order by Acting Chairman Robert Laurie at 10 a.m.

Pledge of Allegiance was given by Commissioner Pernell.

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

Note: The items on the agenda were not addressed sequentially . The agenda items were addressed in the following order: 1-7, 17, 11, 12, 9, 14-16, 18, 10, 13, 19-26. Commissioner Moore joined the meeting via telephone prior to the vote on item 12, the tenth item heard, and left the meeting prior to the discussion of item 19, the eighteenth item heard. Chairman Keese exited the meeting following the vote on item 9, 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. ALTOS MANAGEMENT PARTNERS. Possible approval of Contract 700-01-003 for \$25,000 to develop a fully functional “California-Centric” short-term model of North American Regional Gas model. (ERPA Funded)

Commissioner Pernell moved and Commissioner Rosenfeld seconded the approval of the consent calendar. The motion passed by a unanimous vote. (4-0)

2. INLAND EMPIRE ENERGY CENTER. Commission consideration of the Executive Director’s Data Adequacy Recommendation for the Inland Empire Energy Center Application for Certification. This is a 6-month, 670-megawatt power plant located in Riverside County (Docket No. 01-AFC-17).

This item was moved to the November 14, 2001 Business Meeting.

3. INLAND EMPIRE ENERGY CENTER. Possible approval of a Committee for the Inland Empire Energy Center Application for Certification (Docket No. 01-AFC-17).

This item was moved to the November 14, 2001 Business Meeting.

4. 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).

This item was moved to the November 14, 2001 Business Meeting.

5. 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).

This item was moved to the November 14, 2001 Business Meeting.

6. CALPEAK BORDER. Commission consideration and possible approval of a petition to extend the September 30, 2001, on-line date of the 50-megawatt Calpeak Border emergency peaker project (01-EP-14).

Commissioner Pernell moved and Commissioner Rosenfeld seconded the approval of the Staff finding that Calpeak Border proceeded with due diligence and the extension of the on-line date for Calpeak Border to October 26, 2001. The motion passed by a unanimous vote. (4-0)

7. CALPINE GILROY. Commission consideration and possible approval of a petition to extend the September 30, 2001, on-line date of the 135-megawatt Calpine Gilroy emergency peaker project (01-EP-8).

Commissioner Pernell moved and Commissioner Rosenfeld seconded the approval of the Staff finding that Calpine Gilroy proceeded with due diligence and the extension of the on-line date for Calpine Gilroy to December 14, 2001. The motion passed by a unanimous vote. (4-0)

8. PEGASUS. Commission consideration and possible approval of a petition to extend the September 30, 2001, on-line date of the 180-megawatt Pegasus emergency peaker project (01-EP-9).

This item was moved to a future Business Meeting to be determined.

9. VALERO CO-GENERATION PROJECT (01-AFC-05). Commission consideration and possible adoption of the Presiding Member's Proposed Decision for the Valero Co-Generation Project. This is a 102-megawatt power plant located in the city of Benicia in Solano County.

Commissioner Moore moved and Commissioner Rosenfeld seconded the approval of the Valero Co-Generation Project provided that it meets the conditions of the revised Presiding Member's Proposed Decision as amended in the proceedings. The motion passed by a unanimous vote. (5-0) Note: Chairman Keese exited the meeting after the vote on this item.

10. ENERGY INNOVATIONS SMALL GRANT PROGRAM. Consideration and possible approval of nine grant projects totaling \$674,531 with the Public Interest Energy Research (PIER) program funding of grants under the Energy Innovations Small Grant Program.

Commissioner Pernell moved and Commissioner Rosenfeld seconded the approval of nine grant projects totaling \$674,531 under the Energy Innovations Small Grant Program. The motion passed by a unanimous vote. (4-0)

11. ATLANTIS INFOTECH, INC. Possible approval of Contract 300-99-020 Amendment 1, for \$15,000 to extend the term of the contract to March 31, 2002 and add funds to enhance the database function beyond the original project scope. This brings the total contract to \$88,000.

Commissioner Pernell moved and Commissioner Rosenfeld seconded the approval of Contract 300-99-020 Amendment 1. The motion passed by a unanimous vote. (4-0)

12. LOS ANGELES UNIFIED SCHOOL DISTRICT. Possible approval of Contract 400-01-018 for \$60,000 to provide a coordinator position, to be funded over 12-months, to support the High Performance School Task Force and the new construction and renovation of activities of the district. (Federally funded/Rebuild America)

Commissioner Pernell moved and Commissioner Rosenfeld seconded the approval of Contract 400-01-018. The motion passed by a unanimous vote. (5-0)

13. VENTURA COUNTY AIR POLLUTION CONTROL DISTRICT. Possible approval of Contract 500-98-048 Amendment 1, to extend the time to September 30, 2002 to assist in the development of a Liquefied/Compressed Natural Gas (L/CNG), formerly a CNG fueling facility, in Camarillo.

Commissioner Moore moved and Commissioner Rosenfeld seconded the approval of Contract 500-98-048 Amendment 1. The motion passed by a unanimous vote (4-0)

14. ELECTRIC VEHICLE INFRASTRUCTURE INCENTIVE PROGRAM. Possible approval of several contracts to disencumber funds back to the South Coast Air Quality Management District (SCAQMD) in compliance with their original contracts. SCAQMD is no longer supporting the Electric Vehicle Infrastructure Incentive Program.

- a. SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT. Contract 500-99-017 Amendment 3, for \$105,000.
- b. NISSAN NORTH AMERICA, INC. Contract 500-99-003 Amendment 3, for \$20,750.
- c. FORD MOTOR COMPANY. Contract 500-98-005 Amendment 4, for \$42,689.50.
- d. TOYOTA MOTOR SALES. Contract 500-98-006 Amendment 3, for \$50,000.
- e. GENERAL MOTORS COMPANY. Contract 500-98-007 Amendment 3, for \$42,250.
- f. AMERICAN HONDA MOTOR COMPANY. Contract 500-98-008 Amendment 3, for \$47,448.20

Note: Items 14a and 14d were withdrawn from the Agenda and were not considered by the Commissioners. Commissioner Pernell moved and Commissioner Rosenfeld seconded the approval to disencumber funds from Contracts 500-99-03, 500-98-005, 500-98-007 and 500-98-008 back to South Coast Air Quality Management District in compliance with the original contracts. The motion passed by a unanimous vote. (4-0)

15. WESTERN GOVERNORS' ASSOCIATION. Possible approval of Contract 150-99-005 Amendment 1, to receive \$163,225 for continuing planning and preparation for future transuranic nuclear waste shipments in California. The award totaled \$318,325 for two years (1-1-00 to 12-31-01) under the US Department of Energy/WGA Cooperative Agreement to support State contingency planning activities and preparation for the waste shipments to the Waste Isolation Pilot Plant.
 - a. OFFICE OF EMERGENCY SERVICES. Possible approval of Interagency Agreement 150-00-004 Amendment 2, for \$141,991 to continue to pay for personnel, in-state travel expenses, equipment, public information costs and operating expenses in connection with the planned transuranic nuclear waste shipments to the Waste Isolation Pilot Plant in New Mexico.

Commissioner Moore moved and Commissioner Pernell seconded the approval of Contract 150-99-005 Amendment 1 and Interagency Agreement 150-00-004 Amendment 2. The motion passed by a unanimous vote. (4-0)

16. RENSSELAER POLYTECHNIC INSTITUTE. Possible approval of Contract 500-01-011 for \$150,000 for a membership to the Lighting Research Center.

Commissioner Rosenfeld moved and Commissioner Pernell seconded the approval of Contract 500-01-011. The motion passed by a unanimous vote. (4-0)

17. ALZETA CORPORATION. Possible approval of Contract 500-01-010 for \$2,404,310 to advance research, commercial development and field testing of a low NOx combustion system for gas turbine engines used in distributed generation applications. (PIER funded)

Commissioner Rosenfeld moved and Commissioner Pernell seconded the approval of Contract 500-01-010. The motion passed by a unanimous vote. (4-0)

18. 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.

Note: Acting Chairman Laurie left the Business Meeting prior to the discussion of this item. He returned while the vote was progress, but he did not vote. Commissioner Moore moved and Commissioner Rosenfeld seconded the approval of Contract 400-00-057. The motion passed by a unanimous vote. (3-0)

19. ASPEN ENVIRONMENTAL GROUP. Possible approval of Contract 700-99-014 Amendment 1, for \$6,000,000 to provide temporary technical assistance to review requests from developers to construct energy facilities in a timely manner. The existing contractor will handle the increased workload of the emergency peaker projects and projects associated with the energy facility siting process arising from the current Executive Orders and the California Power Authority. This contract does not alter the original contract.

Note: Commissioner Moore left the meeting prior to the discussion of this item. Commissioner Pernell moved and Commissioner Rosenfeld seconded the approval of Contract 700-99-014 Amendment 2. The motion passed by a unanimous vote. (3-0)

20. Legislative Committee Report – 2002 Legislative Proposals.

This item was carried over to the November 14, 2001 Business Meeting.

21. Minutes

No minutes were presented.

22. Energy Commission Committee and Oversight

No discussion was held.

23. Chief Counsel's Report

Acting Chairman Laurie requested a closed session with the Chief Counsel to discuss litigation matters.

24. Executive Director's Report

No report was given.

25. Public Adviser's Report

No report was given.

26. Public Comment

No comments were received

The meeting was adjourned at 12:10 p.m.

BETTY McCANN
Secretary to the Commission