

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Business Meeting Minutes

of

February 19, 2003

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

The Pledge of Allegiance was given by Commissioner Boyd.

William J. Keese	Present
Robert Pernell	Absent
Arthur Rosenfeld	Present
James D. Boyd	Present
John L. Geesman	Absent
Margaret Kim, Ex-Officio	Absent

Commissioner Geesman was present and participated, by phone, for Item 3, which was heard first, however, he did not vote on the issue.

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 might provide the participation of key speakers, provide guidance in the selection of speakers, permit the use of plus staff time for a speaker and include promotional materials with scheduled mailings.

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 - The 24th Annual Utility Energy Forum, May 7-9, 2003, Granlibakken Conference Center, Lake Tahoe.
 - The 4th Annual World Truck Conference, March 2-4, 2003, Monterey, California.
 - b. Consideration and possible approval to convert a 1988 Geothermal Program contingent award to Modoc Joint Unified School District into a grant.

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of the Consent Calendar. The vote was unanimous. (3-0)

2. ENERGY INNOVATIONS SMALL GRANT PROGRAM. Possible approval of twelve grant projects from the Public Interest Energy Research (PIER) program funding for \$899,838.

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of the twelve grant projects from the PIER program totaling \$899,838. The vote was unanimous. (3-0)

3. GUIDELINES FOR THE RENEWABLE ENERGY PROGRAM. Possible adoption of proposed guidelines for the continuation of the Renewable Energy Program (REP) under SB 1038. These guidelines are comprised of four separate guidebooks and include the Overall Program Guidebook for the REP, The Existing Renewable Facilities Program Guidebook, Emerging Renewable Program Guidebook and the Consumer Education Program Guidebook.

Commissioner Boyd moved and Commissioner Rosenfeld seconded the approval of the adoption of the Overall Program Guidebook for the REP, the Existing Renewable Facilities Program Guidebook, the Emerging Renewable Program Guidebook, and the Consumer Education Program Guidebook, as modified. The vote was unanimous. (3-0)

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4. STATE PERSONNEL BOARD. Possible approval of Contract 200-02-001 Amendment 1, for \$134,200 to amend the current contract to include additional funds for testing and validation of the Commission's technical classifications, (i.e., Planner series, Energy Commission Specialist and supervisory (all parentheticals), Office Manager and Deputy Division Chief class and to extend the contract to June 30, 2004 to testing and validation services.

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Contract 200-02-001 Amendment 1. The vote was unanimous. (3-0)

5. NAVIGANT CONSULTING, INC. Possible approval of sole source Contract 500-02-019 for \$894,684 for distributed energy resource technology research needs assessments, technology development opportunity identification and related analysis to support the ESI DERI.

This Item was moved to a future meeting.

6. REVENUE BONDS. Commission consideration and possible approval for the Energy Commission to enter in to agreements necessary to complete the sale of a Revenue Bond, not to exceed \$30 million, through the California Consumer Power and Conservation Financing Authority. The Bond would provide funds for the Energy Conservation Assistance Act Account for loans to qualifying local agencies.

This Item was moved to a future meeting.

7. ENERGY CONSERVATION ASSISTANCE ACT ACCOUNT. Possible approval of a \$1,704,391 loan to the California Department of Mental Health to install premium efficiency motors, energy efficient lights, Variable Frequency Drives (VFDs) on motors, boiler improvements, boiler blow-down heat recover and Energy Management System (EMS) upgrades at the Napa State Hospital. This project is estimated to save about \$207,000 annually in reduced energy costs and has a simple payback of 8.2 years.

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of a loan to the California Department of Mental Health for \$1,704,391. The vote was unanimous. (3-0)

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8. ORDER INSTITUTING RULEMAKING. Consideration and possible adoption of an Order Instituting Rulemaking to adopt new reporting requirements to reflect changes to the law made by SB 1962 (chapter 288, statutes of 2000) and to amend existing regulations that implement the Petroleum Industry Information Reporting Act (Pub. Resources Code §25350 et seq.).

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of an Order Instituting Rulemaking to adopt new reporting requirements to reflect changes to the law made by SB 1962 and to amend existing regulations that implement the PIIRA. The vote was unanimous. (3-0)

9. REPORTING REQUIREMENTS. Consideration and possible adoption of an Order requiring refiners, major oil storers, transporters and terminal operators, as defined, in part, by the California Code of Regulations, title 20, section 1363, to report on production capacity, inventories, receipts and distributions and methods of transportation of receipts and distributions, on a weekly and monthly basis. Further, the Commission delegates oversight of the new reporting requirements to the Transportation Committee of the Commission. The Commission directs its Executive Director to follow the process outlined for specifying the format of these reports and providing forms or other instruments to facilitate their filing set forth in the California Code of Regulations, title 20, §1367.

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of an Order requiring refiners, major oil storers, transporters and terminal operators, as defined, to report on production capacity, inventories, receipts and distributions, and methods of transportation of receipts and distributions, on a weekly and monthly basis. The vote was unanimous. (3-0)

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10. Minutes

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of the minutes from February 5, 2003. The vote was unanimous. (3-0)

11. Commission Committee and Oversight

No reports were given.

12. Chief Counsel's Report

Chief Counsel Bill Chamberlain reported that the state Court of Appeal issued an opinion upholding the Commission's license for the Metcalf powerplant. He noted that the recent legislation that requires powerplant license litigation to go straight to the Supreme Court has simplified the process.

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13. Executive Director's Report

Newly appointed Executive Director Bob Therkelsen reported to the Commission that the Budget process was starting for the Commission on March 5th.

14. Public Adviser's Report

No report was given.

15. Public Comment

No comments were received.

The meeting was adjourned at 11:47 a.m.

BETTY A. McCANN
Secretary to the Commission