

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Business Meeting Minutes

of

March 19, 2003

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The meeting was called to order by Chairman Keese at 10:05 a.m.

The Pledge of Allegiance was given by Commissioner Rosenfeld.

William J. Keese	Present
Robert Pernell	Present
Arthur Rosenfeld	Present
James D. Boyd	Present
John L. Geesman	Present
Margaret Kim, 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. ELK HILLS POWER PROJECT (99-AFC-1C). Possible approval of a petition to modify air quality conditions of certification to allow for (1) "tendering" of PM10 emission reduction credits based on the outcome of initial source tests, and (2) temporary emission increases during the commissioning phase.
 - b. RENEWABLE ENERGY PROGRAM. Possible approval of Renewables Committee recommendation to extend, from January 1, 2002, conditional funding award under the New Renewable Resources Account for the FPL Energy, LLC High Winds LLC Project, a 70-megawatt wind project in Solano County with a proposed on-line date of July 1, 2003.

Item 1(b) has been moved to the April 2, 2003 Business Meeting. Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of the Consent Calendar. The vote was unanimous. (5-0)

2. APPLIANCE EFFICIENCY - EMERGENCY RULEMAKING (Docket No. 02-APPL-01). Possible adoption of regulations in response to litigation in *Air-Conditioning and Refrigeration Institute v. Energy Resources Conservation and Development Commission*, E.D. Cal. No. CIV S 02-2437 WBS PAN.

Commissioner Pernell moved the adoption of regulations with amendments and Commissioner Rosenfeld seconded approval of the adoption in response to litigation in the Appliance Efficiency -Emergency Rulemaking. The vote was unanimous. (5-0)

3. 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.

Commissioner Geesman moved and Commissioner Boyd seconded the approval to enter into 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 vote was unanimous. (5-0)

4. RENEWABLE ENERGY PROGRAM. Possible approval of Renewables Committee recommendations concerning undergeneration penalties for three on-line projects participating in the New Renewable Resources Account.
 - a. Minnesota Methane Tulare Landfill Gas Project, 1.78-megawatts
 - b. Minnesota Methane West Covina Landfill Gas Project, 5.69-megawatts
 - c. Minnesota Methane Yolo Landfill Gas Project, 2.3-megawatts

This Item was moved to the April 2, 2003 Business Meeting.

5. RENEWABLE ENERGY PROGRAM. Possible approval of restoration of full funding awards for New Renewable Resources Account projects that originally received reduced awards in the October 2000 and June 2001 auctions.
 - a. NEO Colton Landfill Gas Project, proposed restored award, \$1,207,919.45
 - b. NEO Milliken Landfill Gas Project, proposed restored award, \$2,409,668.65
 - c. NEO Mid-Valley Landfill Gas Project, proposed restored award, \$1,703,375.74
 - d. Keating Associates, proposed restored award, \$290,250
 - e. El Dorado Irrigation District, proposed restored award, \$3,994,560

This Item was moved to the April 2, 2003 Business Meeting.

6. CYBERSPACE TECHNOLOGIES INTERNATIONAL, INC. Possible approval of Contract 700-02003 for \$74,727 to provide temporary secretarial services, as needed, to directly support the Energy Commission's Energy Facility Licensing Program.

Commissioner Geesmon moved and Commissioner Pernell seconded approval of Contract 700-02-003. The vote was unanimous. (5-0)

7. PRAXAIR, INC. Possible approval of Contract 600-02-007 for \$500,000 to construct and operate a hydrogen generation and fueling station at the Los Angeles International Airport (LAX). The hydrogen will be produced through electrolysis. The first year of this three year contract will have \$115,000 grant funded by Dept. of Energy with an additional \$385,000 the second year, if funds are available.

This item was moved to a future meeting.

8. IOWA STATE UNIVERSITY. Possible approval of Contract 500-02-020 for \$400,000 for a 3-year collaborative research with the National Building Controls Information Program (NBCIP) and the Iowa Energy Center (IEC). NBCIP is a long-term, multi-sponsored program dedicated to improving the design and operation of building HVAC control systems while the IEC is an energy research, demonstration and education organization which administers NBCIP. (PIER funded)

This item was moved to a future meeting.

9. PETERS SHORTHAND REPORTING CORPORATION. Possible approval of three

Contract amendments to extend the terms for one year and provide verbatim transcripts of workshops, hearings and other meetings, by retaining the services of trained court reporters.

- a. 150-01-005, Amendment 2, Commission Hearings, Workshops and Meetings, \$26,000
- b. 170-01-001, Amendment 2, Commission Siting Committee Hearings, \$45,000
- c. 150-01-006, Amendment 2, Commission Business Meetings, \$12,500

Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of Contracts 150-01-005 Amendment 2, 170-01-001 Amendment 2, and 150-01-006 Amendment 2. The vote was unanimous. (5-0)

10. Minutes

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Minutes from March 5, 2003. The vote was 4-1 with Commissioner Pernell abstaining as he was not at the March 5, 2003 meeting. (4-1)

11. Commission Committee and Oversight

Commissioner Geesman moved and Commissioner Boyd seconded approval of a Commission Order authorizing the new Energy Commission Standing Committees. The vote was unanimous. (5-0)

Chairman Keese wanted to thank everyone involved with the meeting that was held on March 11, 2003 with the CPUC and the California Power Authority. Keese indicated the meeting went extremely well and was a success. He also stated that Mary Nichols was scheduled to attend; however, plane delays interrupted her plans. Keese also complimented Bob Therkelsen on his ability to answer all the questions asked during the Budget Inquest at the Capitol.

12. Chief Counsel's Report

Chief Counsel Bill Chamberlain informed the Commission that the Metcalf case had lapsed and had now been petitioned to the Supreme Court and that he would be busy preparing for this hurdle.

13. Executive Director's Report

Executive Director Bob Therkelsen indicated that he appreciated the comments on the joint meeting success and would gather the comments together for the modification of the plan and if the matrix is the best way to implement. Therkelsen indicated that the Commission Budget Hearing had gone well over at the Capitol and that there was a gas, diesel, natural gas report due on March 28, 2003 to the Legislature on what of these prices are manipulated and what are real.

14. Public Adviser's Report

No report was given.

15. Public Comment

No comments were received.

The meeting was adjourned at 10:50 a.m.

BETTY A. McCANN
Secretary to the Commission