

**STATE OF CALIFORNIA**  
**CALIFORNIA ENERGY COMMISSION**

**Business Meeting Minutes**

**of**

**August 6, 2003**

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The meeting was called to order by Chairman Keese at 10:06 a.m.

The Pledge of Allegiance was led by Commissioner Rosenfeld.

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

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. CALIFORNIA INDIAN ENERGY SYMPOSIUM. Possible approval of a co-sponsorship for the Energy Commission to provide staff time, related materials, planning committee, participate in event, and present designated topics as appropriate for California Indian Energy Symposium, January 30-31 or February 6-7, 2004.
  - b. KOREA-PACIFIC U.S. JOINT CONFERENCE. Possible approval of a co-sponsorship by the Energy Commission for the second Korea-Pacific U.S. States Joint Conference, August 10-11, 2003, Anchorage, Alaska; providing \$3,000 and participation in the energy session with Korean government officials and key energy industry leaders. Staff will also identify energy projects in Korea. Commissioner Boyd will lead the delegation.
  - c. SMALL COMMERCIAL DEMAND RESPONSIVE BUILDING SYSTEMS. Possible approval of a no-cost time extension from September 30, 2003 to March 1, 2004 to Contract 400-00-060 with ICF Associates. The contract extension will allow the completion of plan review and installation of measures to achieve additional peak savings.
  - d. NATIONAL ASSOCIATION OF STATE ENERGY OFFICIALS (NASEO). Possible approval of Contract 400-00-040 for a no-cost time extension with the National Association of State Energy Officials (NASEO). NASEO received an extension from Department of Energy (DOE) and needs a matching Commission extension.
  - e. PIER CONTRACT AMENDMENTS. Possible approval of amendments to four PIER contracts awarded under solicitation 500-00-509 that will revise the hourly rates for job classifications by eliminating the hourly rate average and replacing the average with an hourly rate range and correct fee formulas. Amendments for the following 500-01-030, Am #1, Catalytica Energy Systems, Inc.; 500-01-045, Am #1, Solar Turbines, Inc.; 500-02-005, Am #1, Gas Technology Institute; and 500-01-020, Am #1, Gas Technology Institute.

- f. METCALF ENERGY CENTER PROJECT. Possible approval of a request from Metcalf Energy Center, LLC (a subsidiary of Calpine Corporation) to transfer ownership of the Metcalf Energy Center Project (99-AFC-5C) to Calpine Corporation.
- g. OTAY MESA GENERATING PROJECT. Possible approval of a request from Otay Mesa Generating Company, LLC (a subsidiary of Calpine Corporation) to transfer ownership of the Otay Mesa Generating Project (99-AFC-5C) to Calpine Corporation.

*Item 1(b) was removed from the Consent Calendar. The Commissioners then voted on Items 1(a-g) excluding 1(b) on Consent. Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of the Consent Calendar. The vote was unanimous. (5-0)*

- 2. CALPINE CORPORATION. Possible approval to move the project drilling site under an existing agreement (GEO-02-004) with Calpine Corporation, from the Pumice Mine area of the Glass Mountain Known Geothermal Resource Area (KGRA) to the Telephone Flat area within the same KGRA, approximately three miles away.

*This Item has been moved to the August 20, 2003 Business Meeting.*

- 3. ORDER INSTITUTING RULEMAKING. Consideration and possible adoption of an Order Instituting Rulemaking to amend Commission regulations governing the Electricity Generation Source Disclosure Program (SB 1305).

*Commissioner Geesman moved and Commissioner Pernell seconded approval of the OIR to amend Commission regulations governing the Electricity Generation Source Disclosure Program (SB 1305). The vote was unanimous. (4-0)*

- 4. SMUD COSUMNES POWER PLANT PROJECT. Consideration and possible adoption of a Committee Ex Parte Order re: Geologic Testing in the SMUD Cosumnes Power Plant Project proceeding.

*Commissioner Pernell moved and Commissioner Geesman seconded approval of the Committee Ex Parte Order re: Geologic Testing in the SMUD Cosumnes Power Plant Project proceeding. The vote was unanimous. (4-0)*

- 5. PALOMAR ENERGY PROJECT. Possible approval of the Presiding Member's Proposed Decision (PMPD) recommending certification for the proposed 550 megawatt Palomar Energy Project in the City of Escondido, sponsored by Sempra Energy.

*Commissioner Geesman moved and Commissioner Pernell seconded approval of the Presiding Member's Proposed Decision (PMPD) recommending certification of the Palomar Energy Project. The vote was unanimous. (4-0)*

6. CITY OF SAN BRUNO. Possible approval of a \$26,500 Energy Conservation Assistance Act Account loan to the City of San Bruno to install energy-efficient Light Emitting Diode (LED) traffic lights. This project is estimated to save about \$6,124 annually in reduced energy costs and has a simple payback of 4.3 years.

*Commissioner Rosenfeld moved and Commissioner Pernell seconded approval of the \$26,500 Energy Conservation Assistance Act Account loan to the City of San Bruno. The vote was unanimous. (4-0)*

7. AIR RESOURCES BOARD. Possible approval to augment \$1,620,000 to the Lower-Emission School Bus Program (Agreement 500-00-017) between the Energy Commission and the California Air Resources Board. These funds would be used to continue cost sharing the purchase of new buses and infrastructure with public school districts.

*Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of the augmentation of \$1,620,000 to the Lower-Emission School Bus Program (Agreement 500-00-017) between the Energy Commission and the California Air Resources Board). The vote was unanimous. (4-0)*

8. SOUTHERN CALIFORNIA EDISON (PIER funded). Possible approval of Contract 500-03-002 with Southern California Edison for \$2,040,924 to develop and facilitate market availability of cost-effective package and split-system air conditioners, which are designed for hot and dry climates.

*This Item has been moved to the August 20, 2003 Business Meeting.*

9. YOLANDA MEADE CONTRACT AMENDMENT. Possible approval of a no-cost time extension for Contract 600-01-090 (Amendment 2) to March 31, 2004 for interpretation services with Mexican co-sponsors.

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of the no-cost time extension to Contract 600-01-090 (Admendment 2). The vote was unanimous. (4-0)*

10. ORANGE COUNTY SANITATION DISTRICT. Possible approval of a no-cost time extension to Contract 700-01-006 from December 31, 2003 to December 31, 2004 for the Orange County Sanitation District (OCSD) to conduct a pathogen reduction pilot testing program. Based on the results of the pilot tests, OCSD will install disinfection equipment on their wastewater discharge to ensure that wastewater effluent cannot contribute to the beach closures in the Huntington Beach area.

*Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of the no-cost time extension to Contract 700-01-006. The vote was unanimous. (4-0)*

11. ASPEN ENVIRONMENTAL GROUP. Possible approval of a no-cost time extension for Contract 700-99-014 from August 31, 2003 to December 31, 2003 to complete and close existing work authorizations and provide engineering/environmental technical assistance for the energy facilities licensing program.

*Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of the no-cost time extension to Contract 700-99-014. The vote was unanimous. (4-0)*

12. Minutes

*Commissioner Rosenfeld moved and Commissioner Pernell seconded approval of the minutes of July 23, 2003 business meeting. The vote was unanimous. (3-0)*

*Commissioner Geesman abstained from voting due to his absence at the July 23<sup>rd</sup> meeting.*

13. Commission Committee and Oversight

*No report was given.*

14. Chief Counsel's Report

*Bill Chamberlain requested a closed brief session to go over the case, Figueroa versus California Energy Commission.*

15. Executive Director's Report

*Bob Therkelsen first informed the Commissioners that their mikes are in the process of being adjusted to have an on/off capability. He then reported on the budget being approved by the legislature and signed by the governor. He said that there were good news and bad news in the budget.*

16. Public Adviser's Report

*No report was given.*

27. Public Comment

*No comments were received.*

The meeting was adjourned at 11:20 a.m.

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BETTY A. McCANN  
Secretary to the Commission