

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

**Business Meeting Minutes**

**of**

**October 8, 2003**

Business Meeting Minutes of October 8, 2003

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

The Pledge of Allegiance was led by Commissioner Boyd.

William J. Keese	Absent
Robert Pernell	Present
Arthur Rosenfeld	Absent
James D. Boyd	Present
John L. Geesman	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. COMMISSION CO-SPONSORSHIP. Possible approval of a co-sponsorship request for which the Energy Commission might provide the use of its name, up to \$5,000, participate in workshops and discussions, and the participation of Commissioner as a keynote speaker.
    - Arrowhead Symposium on Transportation-Land Use-Environmental Connection, October, 19-21, 2003, Lake Arrowhead, California.
    - Border Energy Forum, October 23-24, 2003, Austin, Texas.
  - b. CALIFORNIA WIND ENERGY COLLABORATIVE. Possible approval of Work Authorization #MR-017 under PIER Research Agreement 500-02-004, not to exceed \$328,092 to support the work and activities for establishing the California Wind Energy Collaborative.
  - c. CALCERTS. Possible approval to certify CalcERTS as an approved provider of field verification and diagnostic testing services for demonstrating compliance with Title 24 building performance standards.
  - d. LOWER EMISSION SCHOOL BUS PROGRAM. Possible approval to enter into Contracts with public school districts to continue cost sharing of the purchase of new school buses and infrastructure. This program is funded by the California Air Resources Board (Agreement 500-00-017) in the amount of ~\$1.6 million and is a continuation of an existing program.

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

2. RECONCILIATION OF RETAILER CLAIMS, 2002 REPORT. Possible approval of the SB 1305 (Public Utilities Code Section 398.5(e)) report, "Reconciliation of Retailer Claims, 2002," which requires the Energy Commission to annually prepare and submit a report to the California Public Utilities Commission about retail power source claims made to consumers. The Draft Report is available via the Commission's Web Site or by contacting Jason J. Orta.

*Commissioner Geesman moved and Commissioner Boyd seconded approval to submit the SB 1305 report to the CPUC. The vote was unanimous. (3-0)*

3. VALERO REFINERY COMPANY. Possible approval of a petition from the Valero Refinery Company – California to extend the on-line date for Phase 2 of the Valero Cogeneration Project to November 1, 2005. The extension will allow Valero time to reconsider the viability of Phase 2 due to the uncertainty of the electricity market.

*This item was moved to the October 22, 2003 Business Meeting.*

4. EAST ALTAMONT ENERGY CENTER (01-AFC-4). Consideration of any petitions for reconsideration filed pursuant to Public Resources Code section 25530.

*Commissioner Geesman moved and Commissioner Boyd seconded approval to deny the petitions for reconsideration that were submitted by Californians for Renewable Energy (CARE) and Robert Sarvey.. The vote was unanimous. (3-0)*

5. REPORT TO LEGISLATURE (SB 284). Possible approval of the Commission's Recommended Report to the Legislature, mandated by Senate Bill 284, regarding the Best Design Practices for All New Public Schools.

*Commissioner Geesman moved and Commissioner Boyd seconded approval of the SB 284 Report to the Legislature. The vote was unanimous. (3-0)*

6. RENEWABLE PORTFOLIO STANDARD IMPLEMENTATION. Possible adoption of Decision on Phase 2 Implementation Issues Final Committee Report (Pub No 500-03-049FD). (Available on-line at: [www.energy.ca.gov/portfolio/documents/index/html](http://www.energy.ca.gov/portfolio/documents/index/html)). The RPS Phase 2 implementation issues are distribution of supplemental energy payments, certification of renewable electricity generation facilities, and development of an accounting system for the Renewable Portfolio Standard.

*Commissioner Geesman moved and Commissioner Boyd seconded approval of the Decision on Phase 2 Implementation Issues Final Committee Report. The vote was unanimous. (3-0)*

7. ENERGY CONSERVATION ASSISTANCE ACT ACCOUNT (Bond Funds). Possible approval of a \$2,000,000 loan to the Irvine Valley College to install energy efficient lights, HVAC systems, controls and photo voltaic panels. This project is estimated to save about \$200,000 annually in reduced energy cost and has a simple payback of 10-years.

*Items 7, 8, 9 and 10 were all taken up as one item and voted on collectively.*

*Commissioner Geesman moved and Commissioner Boyd seconded approval of loans to: Irvine Valley College, Gateway Hospital and Mental Health Center, Mojave Desert Air Quality Management District, and the city of Escondido. The vote was unanimous. (3-0)*

8. ENERGY CONSERVATION ASSISTANCE ACT ACCOUNT. Possible approval of a \$203,491 loan to Gateway Hospital and Mental Health Center to install energy efficient lights, HVAC systems and controls. This project is estimated to save about \$25,061 annually in reduced energy cost and has a simple payback of 8-years.

*See Item 7.*

9. ENERGY CONSERVATION ASSISTANCE ACT ACCOUNT (Bond Funds). Possible approval of a loan to the Mojave Desert Air Quality Management District for \$175,000 to install a 77-kilowatt photovoltaic solar system on the District's building roof. This project is estimated to save about \$17,500 annually and has a simple payback of 10-years.

*See Item 7.*

10. ENERGY CONSERVATION ASSISTANCE ACT ACCOUNT (Bond Funds). Possible approval of a loan to the city of Escondido for \$1,107,890 to install a 150-ton natural gas engine driven chiller system at the California Center for the Art building complex. This project is estimated to save about \$110,789 annually and has a simple payback of 10-years.

*See Item 7.*

11. 2005 BUILDING ENERGY EFFICIENCY STANDARDS. Commission continuation of the adoption hearing for the 2005 Building Energy Efficiency Standards to November 5, 2003 to allow for publication of 15-Day Language; however, no decision will be made, but comments may be received.

*Commissioner Boyd moved and Commissioner Geesman seconded to continue this item to the November 5, 2005 Business Meeting. The vote was unanimous. (3-0)*

12. ENERGETICS INCORPORATED. Possible approval of Contract 500-03-010 for \$42,992 to develop a roadmap report for petroleum refineries in California. (DOE funded)

*Commissioner Geesman moved and Commissioner Boyd seconded approval of Contract 500-03-010. The vote was unanimous. (3-0)*

13. REFLECTIVE ENERGIES. Possible approval of Contract 500-03-012 for \$710,000 to do follow-on work to the existing Reflective Energies Contract (500-00-013), to further improve interconnect standards for distributed generation. (PIER funded)

*Items 13, 14, and 15 were taken up and voted on collectively. Commissioner Geesman moved and Commissioner Boyd seconded approval of Contracts 500-03-012, 500-03-011 and 500-03-009. The vote was unanimous. (3-0)*

14. NATIONAL RENEWABLE ENERGY LABORATORY (NREL). Possible approval of Contract 500-03-011 for \$1,614,491 to develop a universal interconnection device, study the effects of unbalanced loading of distributed generation (DG) on voltage regulation, model anti-islanding effects of DG and evaluate innovative rate designs for DG. (PIER funded)

*See Item 13.*

15. M.CUBED. Possible approval of Contract 500-03-009 for \$595,647 to establish a “test bed” to demonstrate and measure the impacts of actual distributed energy resources on a distribution system. (PIER funded)

*See Item 13.*

16. Minutes

*Commissioner Geesman moved and Commissioner Boyd seconded approval of Minutes from the September 9, 2003 meeting.*

17. Commission Committee and Oversight

*No reports were given.*

18. Chief Counsel's Report

*Chief Counsel Bill Chamberlain reported there was a filing in the 9<sup>th</sup> Circuit Court of Appeals on the appliance standards that asks for a stay of the district court's injunction against the Commission's data collection, and that asks the Court to expedite the appeal. Mr. Chamberlain also reported that the Commission has received a letter Mr. Corey Briggs stating he was commencing litigation, on behalf of Mr. William Powers, regarding the Commission's approval of the Palomar powerplant.*

19. Executive Director's Report

*Mr. Scott Matthews, Chief Deputy Director, sitting in for Executive Director Bob Therkelsen, welcomed Ms. Margret Kim, formerly General Counsel of the Resources Agency, as the new Public Adviser. Mr. Matthews stated that he and the rest of the Commission staff look forward to working with her.*

*Acting Chairman Robert Pernell stated he wanted to also welcome Scott Matthews as well as Margret Kim in their new capacities at the Energy Commission.*

20. Public Adviser's Report

*Ms. Margret Kim, the new Public Adviser, reported she was happy to be here at the Commission.*

21. Public Comment

*No comments were received.*

The meeting was adjourned at 12:35 p.m.

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BETTY A. McCANN  
Secretary to the Commission