

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Business Meeting Minutes

of

September 21, 2005

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The meeting was called to order by Chairman Desmond at 10:03 a.m.

The Pledge of Allegiance was led by Chairman Desmond.

Joseph Desmond	Present
Jackalyne Pfannenstiel	Present
Arthur Rosenfeld	Present
James D. Boyd	Present
John L. Geesman	Present

1. CONSENT CALENDAR.

- a. SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG). Possible approval of a request to correct the recipient name in a previously approved Clean Cities Grant. In 2004, the grant recipient was incorrectly named *Southern California Association of Governments (SCAG)* and should be approved as ***The Partnership*** that supports SCAG Clean Cities Coalition.
- b. BORDER ENERGY FORUM XII. Possible approval of a co-sponsorship for the annual Border Energy Forum XII conference being held October 13-14, 2005, in Santa Fe, New Mexico. The Energy Commission will provide \$3,000, staff time, travel expenses, and name use.

Commissioner Pfannenstiel moved and Commissioner Rosenfeld seconded approval of the consent items. The vote was unanimous. (5-0)

2. REPORT TO THE GOVERNOR ON COMMERCIAL AND PUBLIC BUILDING ENERGY BENCHMARKING. Possible adoption of a report mandated by Executive Order S-20-04 and the Green Building Action Plan directing the Energy Commission to provide the Governor with a plan, timetable and recommendations for benchmarking commercial and public buildings.

Commissioner Pfannenstiel moved and Commissioner Rosenfeld seconded approval of the report to the Governor on Commercial and Public Building Energy Benchmarking. The vote was unanimous. (5-0)

3. OTAY MESA ENERGY CENTER, LLC. Possible approval of a petition to change ownership of the Otay Mesa Generating Project from *Otay Mesa Generating Company, LLC* to *Otay Mesa Energy Center, LLC*. The new owner is an indirect, wholly owned subsidiary of Calpine Corporation.

Commissioner Geesman moved and Commissioner Boyd seconded approval of the ownership change of the Otay Mesa Generating Project. The vote was unanimous. (5-0)

4. CITY OF SANTA MONICA. Possible approval of the City of Santa Monica's adoption and enforcement of a local ordinance requiring energy efficiency more stringent than the *2005 Building Energy Efficiency Standards* (Title 24, Part 6) to be implemented on October 1, 2005.

Commissioner Pfannenstiel moved and Commissioner Rosenfeld seconded approval of the City of Santa Monica's adoption and enforcement of a local ordinance. The vote was unanimous. (5-0)

5. COUNTY OF MARIN. Possible consideration and approval of the County of Marin's adoption and enforcement of a local ordinance for single-dwellings requiring energy efficiency more stringent than the *2005 Building Energy Efficiency Standards* (Title 24, Part 6) to be implemented on October 1, 2005.

Commissioner Pfannenstiel moved and Commissioner Rosenfeld seconded approval of the County of Marin's adoption and enforcement of a local ordinance. The vote was unanimous. (5-0)

6. MICROPAS 7.1. Possible approval of the software program MICROPAS 7.1 for use in complying with the 2005 Residential Energy Efficiency Standards.

Commissioner Pfannenstiel moved and Commissioner Rosenfeld seconded approval of the software program MICROPAS 7.1. The vote was unanimous. (5-0)

7. CITY OF SEBASTOPOL. Possible approval of a loan to the City of Sebastopol for \$242,898 to install energy-efficient HVAC systems and controls, variable frequency drives and Supervisory Control and Data Acquisition (SCADA) controls systems in municipal water systems and city buildings. The projects are estimated to save about \$39,557 annually and have a simple payback of 6.14 years. (ECAA and/or Bond funded)

Commissioner Pfannenstiel moved and Commissioner Rosenfeld seconded approval of the loan to the City of Sebastopol. The vote was unanimous. (5-0)

8. SAFETY ADVISORY REPORT. Possible approval of the *Safety Advisory Report* on the Proposed Sound Energy Solutions Liquefied Natural Gas Terminal at the Port of Long Beach. As designated by the Governor, the California Energy Commission, in consultation with State and local agencies, has prepared this report in response to the recently passed Energy Policy Act of 2005. The Energy Policy Act of 2005 (Section 311(d)) allows states with a pending onshore LNG terminal application to identify safety issues and concerns regarding the terminal in an advisory report filed with the Federal Energy Regulatory Commission (FERC).

Commissioner Boyd moved and Commissioner Geesman seconded approval of the Safety Advisory Report. The vote was unanimous. (5-0)

9. ASSIGNMENT OF COMMITTEE TO THE CALIFORNIA PUBLIC UTILITIES COMMISSION RULEMAKING. Consideration to participate in the California Public Utility Commission's (CPUC) OIR R.05-06-040 regarding the confidentiality issue for their electricity procurement proceeding and the approval of staff's recommendation that the Electricity Committee provide policy guidance.

Commissioner Geesman moved and Commissioner Pfannenstiel seconded approval of participation in the CPUC proceeding and of staff's recommendation. The vote was unanimous. (5-0)

10. ARVIND C. THEKDI. Possible approval of Contract 400-05-003 for \$40,000 with Dr. Arvind Thekdi, (a U.S. Department of Energy (DOE) Certified Instructor) to deliver up to four DOE Industrial Process Heating Best Practice workshops and/or onsite industrial plant assessments. (DOE grant funded)

Commissioner Pfannenstiel moved and Commissioner Rosenfeld seconded approval of Contract 400-05-003. The vote was unanimous. (5-0)

11. GILBERT ASSOCIATES, INC. Possible approval of Contract 400-05-004 for \$124,500 with Gilbert Associates, Inc. to provide independent financial and compliance auditing services related to the Energy Commission's Energy Efficiency Master Trust Revenue Bonds Series 2003A and 2005A. (ECAA funded)

Commissioner Geesman moved and Commissioner Pfannenstiel seconded approval of Contract 400-05-004. The vote was unanimous. (5-0)

12. GAS TECHNOLOGY INSTITUTE. Possible approval of Contract 500-05-011 for \$558,540 with Gas Technology Institute to conduct research on commercial gas fryers for food service and a market assessment of the next generation of residential instantaneous water heaters. (PIER funded)

Commissioner Geesman moved and Commissioner Pfannenstiel seconded approval of Contract 500-05-011. The vote was unanimous. (5-0)

13. THE REGENTS OF THE UNIVERSITY OF CALIFORNIA—IRVINE. Possible approval of Contract 500-00-020, Amendment 2, with the Regents of the University of California, Irvine to reduce the original contract amount by \$591,904 to \$1,755,603. The scope of work for Project 1 has been modified and funds reallocated to Project 2 (Multiturbine Generator (MTG) Fuel Flexibility) and Project 3 (Low NOx – Low CO MTG Combustor). (PIER-EPAG funded)

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-00-020, Amendment 2. The vote was unanimous. (5-0)

14. THE REGENTS OF THE UNIVERSITY OF CALIFORNIA—OFFICE OF THE PRESIDENT/CIEE. Possible approval of Contract 500-02-004, Amendment 3, to the Regents of the University of California-Office of the President, for spending authority up to \$37,000,000 and a two-year extension through June 30, 2011. (PIER funded)

This item was rescheduled to a future Business Meeting date.

15. SCIENCE APPLICATIONS INTERNATIONAL CORPORATION (SAIC) APPEAL. Consideration of an appeal by SAIC of the Energy Commission Executive Director's decision denying their application for confidentiality pursuant to California Code of Regulations, title 20, section 2505(a)(3). SAIC requested a confidentiality designation for fringe benefit costs, overhead rates, general and administrative rates, and anticipated profit rates information submitted in response to Energy Commission Contract 500-01-007. After review of the application and information, the Executive Director denied SAIC's application.

This item was withdrawn from the agenda.

16. SCIENCE APPLICATION INTERNATIONAL CORPORATION (SAIC). Possible approval of Contract 500-01-007, Amendment 2, for \$1,200,000 with SAIC and a one year extension to continue ongoing and necessary technical programs under this contract. (PIER funded)

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-01-007. The vote was unanimous. (5-0)

17. ENERGY ACTION PLAN II. Possible adoption of Energy Action Plan II. This plan was created jointly by the California Public Utilities Commission (CPUC) and the Energy Commission and provides a coordinated implementation plan for state energy policies.

Commissioner Geesman moved and Commissioner Pfannenstiel seconded adoption of Energy Action Plan II. The vote was unanimous. (5-0)

18. ORDER INSTITUTING RULEMAKING. Consideration and possible adoption of an Order Instituting Rulemaking to adopt, amend, and repeal regulations governing the Commission's data collection system for energy forecasting and planning, and regulations governing disclosure of Commission records.

This item was rescheduled to a future Business Meeting date.

19. Minutes

Approval of the September 7, 2005 Business Meeting Minutes.

Commissioner Boyd moved and Commissioner Pfannenstiel seconded approval of the September 7, 2005 minutes. The vote was unanimous. (5-0)

20. Commission Committees and Oversight

Commissioner Pfannenstiel announced that (1) the 2005 Building Standards go into effect in nine days, (2) she chaired the meeting of Governor's Green Building Initiative Team on the Green Building Initiative, and (3) the Energy Commission report due to the Legislature on October 1st implementing Assembly Bill 549 was put on hold to add some additional information.

Commissioner Boyd announced that last week, the Energy Commission Co-hosted with the CalEPA, the 2nd Annual Climate Change Research conference which was a resounding success.

21. Chief Counsel's Report

Arlene Ichien, representing Bill Chamberlain, reported on the appliance lawsuit, ARI v. CEC..

22. Executive Director's Report

B. B. Blevins reported that acknowledgements should be continued for staff's hard work.

23. Legislative Director's Report

No report was given.

24. Public Adviser's Report

No report was given.

25. Public Comment

No comments were received.

The meeting was adjourned at 11:22 a.m.

SONG K. HER
Acting Secretariat to the Commission