

Minutes of the June 29, 2006, Business Meeting.

The meeting was called to order at 10:01 a.m. by Chairman Jackalyne Pfannenstiel.

The Pledge of Allegiance was led by Chairman Pfannenstiel.

Present:

Jackalyne Pfannenstiel

James D. Boyd

John L. Geesman

Jeffrey D. Byron

Before beginning the meeting, Chairman Pfannenstiel welcomed Commissioner Byron as a newly appointed member of the Energy Commission.

Chairman Pfannenstiel announced that item 25 will be heard immediately after item 23.

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 moved and discussed later in the meeting.)
 - a. UNIVERSITY OF SOUTHERN CALIFORNIA SCHOOL OF ENGINEERING. Possible approval of a co-sponsorship of \$2,000 for COMET 2006, a high school science mentoring program at the University of Southern California. (ERPA funded) Contact: Claudia Chandler
 - b. CLEANSTART. Possible approval of a co-sponsorship of \$4,500 for PowerUp!, a business plan competition sponsored by CleanStart to encourage and support innovations in clean and renewable energy.(ERPA funded) Contact: Claudia Chandler.
 - c. CALIFORNIA ENVIRONMENTAL EDUCATION INTERAGENCY NETWORK. Possible approval of a purchase order for \$3,000 to the California Environmental Education Interagency Network (CEEIN), a consortium of environmental educators representing California state departments, boards, and commissions. (ERPA funded) Contact: Susanne Garfield.
 - d. CALIFORNIA STATE SCIENCE FAIR. Possible approval of a co-sponsorship of \$2,000 for the California State Science Fair for Special Awards that will be given to students whose science projects reflect innovative environmental/energy merit. (ERPA funded) Contact: Susanne Garfield.
 - e. MICROPAS 7.2. Possible approval of MICROPAS version 7.2 , in place of MICROPAS 7.1, for use in demonstrating compliance with the 2005 Residential Building Efficiency Standards. Contact: Robert Hudler.

- f. ENERGYPRO VERSION 4.2. Possible approval of ENERGYPRO version 4.2, in place of ENERGYPRO version 4.1, for use in demonstrating compliance with the 2005 Residential and Nonresidential Energy Efficiency Standards.
Contact: Robert Hudler.

Commissioner Boyd moved and Commissioner Geesman seconded approval of the Consent Calendar. The vote was unanimous. (4-0)

2. CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY. Possible approval of contract 150-05-007 for \$100,000 with the California Environmental Protection Agency to provide funds to implement the Education and the Environment Initiative (AB 1548, Pavley, Chapter 665, Statutes of 2003) by developing and implementing an environmental curriculum with an energy focus. (ERPA funded) Contact: Susanne Garfield. (10 minutes)

Commissioner Geesman moved and Commissioner Byron seconded approval of Contract 150-05-007. The vote was unanimous. (4-0)

3. CALIFORNIA CONSERVATION CORPS. Possible approval of Contract 400-06-001 for \$71,102 with the California Conservation Corps for a project liaison in support of the Energy Commission's activities under the Governor's Green Building Initiative. (ERPA funded) Contact: Daryl Mills.(10 minutes)

Commissioner Boyd moved and Commissioner Geesman seconded approval of Contract 400-06-001. The vote was unanimous. (4-0)

4. INTERNATIONAL ENERGY FUND. Possible approval of three awards of \$25,000 each, for a total of \$75,000, to complete project pre-construction studies in Baja California Norte, Mexico. Awards will be given to Princeton Development Corporation (wind technology), Energy Systems International (photovoltaic), and the San Diego Regional Energy Office (energy efficiency). (ERPA funded) Contact: Brenda Sturdivant. (10 minutes)

Commissioner Boyd moved and Commissioner Geesman seconded approval of the awards. The vote was unanimous. (4-0)

5. KEMA. Possible approval of contract 600-05-011 for \$461,253 with KEMA to facilitate meetings with Mexican government agencies and complete analysis of energy infrastructure issues in the California–Baja California Norte, Mexico border region. (ERPA funded) Contact: Jennifer Williams. (10 minutes)

Commissioner Boyd moved and Commissioner Byron seconded approval of Contract 600-05-011. The vote was unanimous. (4-0)

6. NEXANT, INC. Possible approval of Contract 600-05-014 for \$278,492 with Nexant, Inc. to develop an Energy Project Financing Network that stimulates export opportunities for California-based energy technologies and services to international markets and enhance project financing for California-based energy companies. (U. S. Department of Commerce and ERPA funded) Contact: Tambu Kisoki. (10 minutes)

Commissioner Boyd moved and Commissioner Geesman seconded approval of contract 600-05-014. The vote was unanimous. (4-0)

7. BCS, INC. Possible approval of Contract 600-05-015 for \$27,800 with BCS, Inc. to assist the Energy Commission in conducting project financing conferences and international trade missions. (U. S. Department of Commerce and ERPA funded) Contact Tambu Kisoki. (10 minutes)

Commissioner Boyd moved and Commissioner Geesman seconded approval of Contract 600-05-015. The vote was unanimous. (4-0)

8. SETKA, INC. Possible approval of Purchase Order 05-433.00-520 to Setka, Inc. to assist the Energy Commission in continuing to collect and publish appliance efficiency data. (SEP funded) Contact: Betty Chrisman. (10 minutes)

Commissioner Boyd moved and Commissioner Geesman seconded approval of Purchase Order 05-433.00-520. The vote was unanimous. (4-0)

9. HESCHONG MAHONE GROUP, INC. Possible approval of Contract 400-05-021 for \$150,000 with Heschong Mahone Group, Inc. to assist the Energy Commission in enforcing the Appliance Efficiency Regulations through appliance testing, conducting surveys of appliances sold on-line and in wholesale and retail outlets, conducting a survey of other non-California appliance standard enforcement activities, and providing analysis of the intervention strategies best suited for the California Appliance Program. (SEP funded) Contact: Betty Chrisman. (10 minutes)

Commissioner Boyd moved and Commissioner Geesman seconded approval of Contract 400-05-021. The vote was unanimous. (4-0)

10. ROBERT CENZER CONSULTING. Possible approval of Purchase Order 05-433.00-517 for \$190,000 to analyze the October 2005 and April 2006 vehicle registration data bases from the Department of Motor Vehicles to inventory California's vehicle population. Funding includes \$40,000 from ERPA, \$70,000 from Reimbursement Interagency Agreements, and an \$80,000 Spending Authority for cost reimbursement from DMV-referred requests. Contact: Gene Strecker and Gary Occhiuzzo. (10 minutes)

Commissioner Geesman moved and Commissioner Boyd seconded approval of Purchase Order 05-433.00-517. The vote was unanimous. (4-0)

11. ENERGY AND CONSUMPTION LOAD DATA MANAGEMENT SYSTEM SERVICES. Possible approval of Purchase Order 05-433.00-522 for \$92,940 for services to enhance the Energy and Consumption Load Data Management System (ECLDMS) and provide support for the system, including on-going maintenance for the ECLDMS database and associated applications. (ERPA funded) Contact: Andrea Gough. (10 minutes)

Commissioner Geesman moved and Commissioner Boyd seconded approval of Purchase Order 05-433.00-522. The vote was unanimous. (4-0)

12. CREATUS, INC. Possible approval of Purchase Order 05-433-.00-519 to Creatus, Inc. for \$100,000 to convert and enhance the Oracle Grants and Loans database system to a reliable automated system utilizing the Energy Commission's database platform standards, and to provide system support. (ERPA funded) Contact: George Gaborek. (10 minutes)

Commissioner Geesman moved and Commissioner Boyd seconded approval of Purchase Order 05-433.00-519. The vote was unanimous. (4-0)

13. WEBEX CORPORATION, INC. Possible approval of a purchase order to Webex Corporation for \$90,000 for Web conferencing services used by Energy Commission staff. This service is for July 1, 2006 to June 30, 2007, and consists of 100 hosted meetings annually and 10,000 telephone minutes per month. (ERPA funded) Contact: Steve Bonta. (10 minutes)

Commissioner Geesman moved and Commissioner Boyd seconded approval of the purchase order to Webex Corporation. The vote was unanimous. (4-0)

14. ACCESS SYSTEM, INC. Possible approval of Purchase Order 05-433.00-518 to Access System, Inc. for \$81,030 to upgrade the Energy Commission's Building Security System to a more stable and reliable system. (ERPA funded) Contact: Dale Chisum. (10 minutes)

Commissioner Geesman moved and Commissioner Boyd seconded approval of Purchase Order 05-433.00-518. The vote was unanimous. (4-0)

15. CMC-ENGINEERING. Possible approval of Amendment 2 to Contract 500-03-037 with CMC-Engineering, replacing the remaining Sempra Utilities' match funding of \$168,718 with PIER Natural Gas funding, and extending the term of the contract by one year to December 31, 2008. (PIER-Natural Gas funded). Contact: Avtar Bining. (10 minutes)

Commissioner Geesman moved and Commissioner Boyd seconded approval of Contract 500-03-037. The vote was unanimous. (4-0)

16. TSS CONSULTANTS. Possible approval of Contract 600-05-012R for \$100,000 with TSS Consultants, to evaluate technology options that can convert biomass resources to biofuels for transportation use in California and the western United States. (Western Governor's Association funding.) Contact: Tom MacDonald. (10 minutes)

Commissioner Boyd moved and Commissioner Geesman seconded approval of Contract 600-05-012R. The vote was unanimous. (4-0)

17. U. S. DEPARTMENT OF ENERGY, LAWRENCE BERKELEY NATIONAL LABORATORY. Possible approval of PIER Work Authorization UC MR-047 for \$303,000 under UC Master Research Agreement Number 500-02-004 with the Regents of the University of California, Office of the President. This work will identify, analyze

and develop options to address potential barriers to achievement of statewide renewables development goals. (PIER-Electric funded) Contact: Clare Laufenberg. (10 minutes)

Commissioner Geesman moved and Commissioner Byron seconded approval of Work Authorization UC MR-047. The vote was unanimous. (4-0)

18. GLADSTEIN, NEANDROSS AND ASSOCIATES. Possible approval of Contract 600-05-013 for \$35,984 with Gladstein, Neandross and Associates to create a handbook for developers/operators of alternative transportation fuel infrastructure projects. This publication will highlight elements for successful projects, such as financing, permitting, profitability, and incentives. (ERPA funded) Contact: Jason Sterling. (10 minutes)

Commissioner Boyd moved and Commissioner Geesman seconded approval of Contract 600-05-013. The vote was unanimous. (4-0)

19. VISIONARY INTEGRATION PROFESSIONALS, LLC. Possible approval of Purchase Order 05-433.00-521 to Visionary Integration Professionals, LLC for \$198,000 to fund a Program Development Project Manager for the Western Renewable Energy Generation Information System (WREGIS). This individual will manage the development and implementation of the WREGIS program and administrative operations. (RRTF funded) Contact: Kate Zocchetti. (10 minutes)

Commissioner Geesman moved and Commissioner Byron seconded approval of Purchase Order 05-433.00-521. The vote was unanimous. (4-0)

20. EXISTING RENEWABLE FACILITIES PROGRAM GUIDEBOOK (3rd EDITION). Possible approval of recommended changes to the *Existing Renewable Facilities Program Guidebook (3rd Edition)* to maintain the current Target Price and Cap for Tier 1 biomass facilities only, from July 1, 2006, through December 31, 2006. The Target Price and Cap are currently scheduled to drop on July 1, 2006 Contact: Tony Goncalves. (10 minutes)

Commissioner Geesman moved and Commissioner Boyd seconded approval of the recommended changes to the Existing Renewable Facilities Program Guidebook. The vote was unanimous. (4-0)

21. EMERGING RENEWABLES PROGRAM GUIDEBOOK (7TH EDITION). Possible adoption of revisions to the *Emerging Renewables Program Guidebook (7th Edition)*, that provides program eligibility requirements and funding processes under the Renewable Resource Trust Fund. These proposed revisions include maintaining the current declining rebate schedule for photovoltaics, solar thermal and fuel cells (20 cents less per watt by July 2006) but keeping the rebate level for wind technologies unchanged at \$2.50 per watt (up to 7.5 kW) and \$1.50 for any increments over 7.5 kW and under 30 kW. Contact: Payam Narvand. (10 minutes).

Commissioner Geesman moved and Commissioner Boyd seconded approval of the revisions to the Emerging Renewables Program Guidebook. The vote was unanimous. (4-0)

22. 2007 LOAD FORECASTS. Possible adoption of Energy Commission staff's updated forecast of 2007 peak demand for PG&E, SCE, and SDG&E. Staff will use the adopted forecasts to evaluate and adjust the 2007 forecasts of load-serving entities participating in the CPUC resource adequacy process. Contact: Lynn Marshall. (15 minutes)

Commissioner Geesman moved and Commissioner Byron seconded adoption of the updated forecast. The vote was unanimous. (4-0)

23. ADMINISTRATIVE SUBPOENA. Possible approval of an administrative subpoena to the California Independent System Operator (CA ISO) for hourly operating data for participating power plants and transmission paths and for access to the CA ISO's scheduling log data, known as SLIC. This data will be used to evaluate generation and transmission outages, congestion, must-offer waivers, and load, to aid in assessing resource adequacy for summer 2007 and beyond. Contact: Denny Brown. (10 minutes)

Commissioner Geesman moved and Commissioner Boyd seconded approval of the administrative subpoena to the California Independent System Operator. The vote was unanimous. (4-0)

24. COMMITTEE ASSIGNMENTS. Discussion and possible approval of revised Committee assignments. Contact: Kevin Kennedy. (10 minutes)

Commissioner Boyd moved and Commissioner Geesman seconded approval of the revised Committee assignments. The vote was unanimous. (4-0)

25. EL CENTRO UNIT 3 REPOWER – SMALL POWER PLANT EXEMPTION (06-SPPE-2). Possible Committee assignment for the proposed El Centro Unit 3 Repower Project to replace an existing steam-generating unit within the site of the existing El Centro Generating Station. The project would increase the existing generating capacity by 84 megawatts, from 44 MW to 128 MW. Contact: Mary Dyas. (10 minutes)

Commissioner Geesman moved and Commissioner Pfannenstiel seconded approval of the committee assignment. The vote was unanimous. (4-0)

26. MOUNTAINVIEW POWER PROJECT. Possible approval of a petition to increase Volatile Organic Compound (VOC) emissions limits and change the equipment description for the emergency diesel generator. The project owner will provide additional emission reduction credits to fully offset the proposed VOC emissions increase. (Docket No. 00-AFC-2C) Contact: Donna Stone (10 minutes)

Commissioner Geesman moved and Commissioner Boyd seconded approval of the petition. The vote was unanimous. (4-0)

27. **Minutes**

Approval of the June 7, 2006, Business Meeting Minutes.

Commissioner Boyd moved and Commissioner Geesman seconded approval of the June 7, 2006, minutes. The vote was 3-0. Commissioner Byron abstained.

28. Commission Committee Presentations/Discussion

Commissioner Boyd reported on behalf of the Transportation Committee that he attended a meeting at the Department of Agriculture that included an in-depth briefing on climate change and biofuels. He also discussed the recently signed Memorandum of Understanding between the governments of Sweden and California with respect to biofuels.

29. Chief Counsel's Report

Chief Counsel Bill Chamberlain reported that the U. S. Supreme Court has denied the Petition for Certiorari filed by the appliance trade associations; as a result, the Ninth Circuit decision upholding the Commission's data-submittal and marking regulations will stand .

Mr. Chamberlain also reported he is preparing a response to a request from the Secretariat for clarification on signature requirements for the Commission's resolutions and orders.

30. Executive Director's Report

Executive Director B. B. Blevins reported on the activities of the Energy Commission and the Air Resources Board (ARB) with respect to AB 1007. Mr. Blevins will sign an Interagency Agreement with the ARB on June 30 that will be brought to the Commission for ratification at the next business meeting.

31. Legislative Director's Report

None given.

32. Public Adviser's Report

None given.

33. Public Comment

Mr. Mark Johnson, Golden Sierra Power.

The meeting adjourned at 11:46 a.m.

Respectfully submitted

HARRIET KALLEMEYN
Secretariat