

## Minutes of the July 19, 2006, Business Meeting.

The meeting was called to order at 10:02 a.m. by Chairman Jackalyne Pfannenstiel.

Present:

Jackalyne Pfannenstiel	Chairman
Arthur H. Rosenfeld	Commissioner
James D. Boyd	Commissioner
Jeffery D. Byron	Commissioner

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. LAWRENCE BERKELEY NATIONAL LABORATORY. Possible approval of Amendment 2, a no-cost, one year time extension to Work Authorization MR-016 under PIER Contract 500-02-004 with Lawrence Berkeley National Laboratory for the *High-Performance High-Tech Buildings/ Laboratories, Cleanrooms, and Datacenters Project*. Contact: Paul Roggensack.
  - b. SOLAR ELECTRIC POWER ASSOCIATION. Possible approval of \$4,995 to co-sponsor the Solar Electric Power Association (SEPA) annual industry conference in San Jose, October 16-19, 2006. SEPA is a national organization that supports the solar energy industry's goal to encourage commercial use of solar electric power. The Energy Commission was a co-sponsor of this event in 2001, 2002 and 2004. Contact: Marija Krapceovich.
  - c. MEMORANDUM OF UNDERSTANDING (MOU) - THE NATIONAL ACTION PLAN FOR ENERGY EFFICIENCY. Possible approval of an MOU with the California Public Utility Commission, Investor Owned Utilities, various Public Owned Utilities and other California-based interested parties, pledging the State of California's active support for the National Action Plan for Energy Efficiency (NAPEE). The MOU states the benefits of energy efficiency, details the State's past and current leadership in energy efficiency program implementation, and commits the signatories to actively support the NAPEE in collaboration with other NAPEE Leadership Group Colleagues. Contact: Panama Bartholomy. (10 minutes)

*Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of the consent calendar. The vote was unanimous. (4-0)*

2. HIGH DESERT POWER PROJECT, LLC (DOCKET 97-AFC-1C). Possible approval of a petition from High Desert Power Project, LLC to modify condition Soil and Water-4 which will extend, from 5 to 15 years, the period to inject 13,000 acre feet into a groundwater bank used as a backup water supply. Contact: Steve Munro. (30 minutes)

*Commissioner Byron moved and Commissioner Boyd seconded approval of the applicant's petition. The vote was unanimous. (4-0)*

3. HIGHGROVE POWER PLANT PROJECT (DOCKET NO. 06-AFC-2). Possible approval of the Executive Director's Data Adequacy Recommendation for the AES Highgrove Power Plant Project Application for Certification and possible committee assignment. The Highgrove Power Plant would be a 300 megawatt peaking facility located in Grand Terrace,

San Bernardino County. Contact: Robert Worl. (15 minutes)

*Commissioner Boyd moved and Commissioner Byron seconded approval of the Executive Director's Data Adequacy Recommendation. The vote was unanimous. (4-0)*

*Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of the appointment of Commissioner Pfannenstiel as the presiding member and Commissioner Byron as second member of the Siting Committee for this Project. The vote was unanimous. (4-0)*

4. CONTRA COSTA POWER PLANT UNIT 8 PROJECT (DOCKET NO. 00-AFC-1C). Possible approval of a petition to amend the Energy Commission's Decision to add Pacific Gas and Electric Company as an owner, extend the construction timeframe, and conduct four facility enhancements to the 530 megawatt project. Contact: Christopher Meyer. (15 minutes).

*Commissioner Pfannenstiel recused herself from discussion and voting on Item 4.*

*Commissioner Byron moved and Commissioner Boyd seconded approval of the petition. The vote was 3-0.*

5. CITY OF SANTA BARBARA. Possible approval of a \$39,170 loan to the City of Santa Barbara to install a 15.3 kW photovoltaic system at Fire Station #2. This project is estimated to reduce annual energy expenditures by \$3,997 and has an estimated simple payback of 9.8 years. (ECAA and/or Bond funded.) Contact: Joseph Wang. (10 minutes)

*Commissioner Rosenfeld moved and Commissioner Byron seconded approval of the loan. The vote was unanimous. (4-0)*

6. UNIVERSITY OF CALIFORNIA-BERKELEY. Possible approval of PIER work authorization MR-048 for \$534,788 with the University of California-Berkeley under UC Master Research Agreement Number 500-02-004 with the Regents of the University of California, Office of the President, for the *Life-cycle Energy Assessment of Alternative Water Supply Systems in California* project. (PIER 2005 Electric funded.) Contact: Joe O'Hagan. (10 minutes)

*Commissioner Rosenfeld moved and Commissioner Byron seconded approval of Work Authorization MR-049. The vote was unanimous. (4-0)*

7. CERTS LAWRENCE BERKELEY NATIONAL LABORATORY. Possible approval of PIER work authorization MR-049 for \$1,158,430 (FY04) with the Consortium for Electric Reliability Technology Solutions (CERTS) under the UC Master Research Agreement Number 500-02-004. The *Western Electricity Coordinating Council (WECC) Load Modeling Transmission Research Project* will investigate the impacts of air conditioning equipment, adjustable speed drives, electronic equipment and other residential and commercial loads on voltage and dynamic stability performance of the Western grid. The goal will be to improve the dynamic load models, performance tools and data used by CA ISO, California's major utilities and other members of the WECC Load Modeling Task Force. (PIER Electric funded.) Contact: Jamie Patterson and Merwin Brown (10 minutes)

*Commissioner Rosenfeld moved and Commissioner Byron seconded approval of Work Authorization MR-049. The vote was unanimous. (4-0)*

8. CERTS LAWRENCE BERKELEY NATIONAL LABORATORY. Possible approval of PIER work authorization MR-051 for \$455,000 (FY04) with the Consortium for Electric Reliability Technology Solutions (CERTS) Lawrence Berkeley National Laboratory, under UC Master Research Agreement Number 500-02-004. The *Transmission Cost Allocation Methodologies* project will research and develop methods to assess strategic transmission benefits, and then use these methods in planning tools. The results will primarily be used by utilities to justify transmission line construction and cost recovery in rate case filings with the California Public Utilities Commission, by the California Independent System Operator in transmission planning activities, and by the Energy Commission in transmission line siting activities. (PIER-Electric funded.) Contact: Jamie Patterson and Merwin Brown.(10 minutes)

*Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Work Authorization MR-051. The vote was unanimous. (4-0)*

9. ELECTRIC POWER RESEARCH INSTITUTE (EPRI). Possible approval of PIER work authorization MR-052 for \$250,000 (FY04) with EPRI, under the UC Master Research Agreement Number 500-02-004. The *Transmission Probabilistic Congestion Forecasting* project will develop and apply a mathematical approach using probabilities to more accurately describe load and generation time dependence and forecasting uncertainties to predict congestion in California. The results of this research will be used by the CA ISO for transmission planning and modeling, the Energy Commission for environmental and planning functions supporting power plant and transmission siting, and in the CPUC's ratemaking functions. Contact: Jamie Patterson and Merwin Brown. (10 minutes)

*Commissioner Rosenfeld moved and Commissioner Byron seconded approval of Work Authorization MR-052. The vote was unanimous. (4-0)*

10. UNIVERSITY OF FLORIDA. Possible approval of Contract 500-05-002 for \$599,625 with the University of Florida to develop a model that will realistically estimate how rising sea levels due to climate change may change California shorelines. (PIER Natural Gas funded.) Contact: Guido Franco. (10 minutes)

*Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Contract 500-05-00. The vote was unanimous. (4-0)*

11. PIPELINE RESEARCH COUNCIL INTERNATIONAL (PRCI). Possible approval of a \$140,000 grant to the PRCI to develop a comprehensive set of guidelines and recommended practice that can be used by the natural gas pipeline industry for evaluating and siting pipelines in areas subjected to large-scale ground movements. The project will last approximately 30 months, with a total cost of \$935,033. The Energy Commission's contribution of \$140,000 is matched by the U. S. Department of Transportation and other natural gas industry parties for a total of \$815,033. (PIER Natural gas funded.) Contact: Mike Magaletti. (10 minutes)

*Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of the grant. The vote was unanimous. (4-0)*

12. PACIFIC REGION COMBINED HEAT AND POWER APPLICATION CENTER NETWORK (PRAC). Possible approval for PIER to administer a \$150,000 grant from the U. S. Department of Energy's State Energy Program (SEP) to augment an existing grant (FED-03-015 for \$299,985) for the PRAC operation. The PRAC is a collaborative effort among UC Berkeley, UC Irvine, and San Diego State University that promotes information exchange,

education, and technical assistance in the Pacific region (which includes California, Nevada, Hawaii, and the Pacific Territories) for combined heat and power systems. (SEP funded.)  
Contact: Terry Thompson (10 minutes)

*Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of PIER administering the grant. The vote was unanimous. (4-0)*

13. ECOS CONSULTING. Possible approval of Contract 500-06-007 for \$1,299,616 with Ecos Consulting to identify and prioritize potential energy efficiency improvements for consumer and office electronic equipment in California, including commercial equipment, medical equipment, secondary power supplies, televisions and desk top computers. (PIER 2005 Electric funded) Contact: Bradley Meister. (10 minutes)

*Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Contract 500-06-07. The vote was unanimous. (4-0)*

14. NAVIGANT CONSULTING, INC. Possible approval of Contract 500-06-008 for \$1,315,985 with Navigant Consulting, Inc. to conduct research assessments, develop technology roadmaps and related planning activities for PIER's Energy Systems Integration Research Program. (PIER 2005 ESI and Natural Gas Program funded.) Contact: Mark Rawson. (10 minutes)

*Commissioner Rosenfeld moved and Commissioner Byron seconded approval of Contract 500-06-008. The vote was unanimous. (4-0)*

15. INTER-CON SECURITY SYSTEMS, INC. Possible approval of Contract 200-06-003 for \$92,000 with Inter-Con Security Systems, Inc. for unarmed security guard services as required by the California Highway Patrol's Emergency Master Service Agreement beginning August 1, 2006, through January 31, 2007. (ERPA funded.) Contact: Karen M. Van Egdon. (10 minutes)

*Amended language for Item 15 was read by Commissioner Pfannenstiel. As amended, the item is: Possible approval of an amendment to Contract 200-05-001 for \$96,000 with Inter-Con Security Systems, Inc. extending the term by 6 months to January 31, 2007, for unarmed security guard services as required by the California Highway Patrol's Emergency Master Service Agreement.*

*Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of an amendment to Contract 200-05-001. The vote was unanimous. (4-0)*

16. NETWORK DESIGN ASSOCIATES, INC. Possible approval of Purchase Order Number 06-433.00-002 for \$200,000 for specialized system analysis services, project specific technical training, and Macintosh support. (ITSB funded.) Contact: Sharon Jane Matthews (ERPA funded.) (10 minutes)

*Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Purchase Order 06-433.00-002. The vote was unanimous. (4-0)*

17. BUILDING STANDARDS COMPLIANCE OPTION FOR EVAPORATIVELY COOLED CONDENSING UNITS. Possible approval of a compliance option for evaporatively cooled condensing units used with the 2005 Building Energy Efficiency Standards. Approval of this compliance option will provide appropriate compliance credit for installing evaporatively cooled condensing units in residential buildings. Contact: Ram Verma. (10 minutes)

*Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of the compliance option. The vote was unanimous. (4-0)*

**18. Minutes**

Approval of the July 5, 2006, Business Meeting Minutes.

*Commissioner Rosenfeld moved and Commissioner Byron seconded approval of the July 5, 2006 minutes. The vote was unanimous. (4-0)*

**17. Commission Committee Presentations/Discussion**

*Commissioner Boyd reported on the Governor's release of the Bioenergy Action Plan and recent announcements by two auto makers that they will not be certifying flexible fuel vehicles for 2006.*

**18. Chief Counsel's Report** – *No report given.*

**19. Executive Director's Report** – *No report given*

**20. Legislative Director's Report**

*Mike Smith, Director of Governmental Affairs, reported on the status of pending legislation.*

**21. Public Adviser's Report** – *No report given.*

**22. Public Comment** – *None.*

**Appearances:**

Mr. Ramiro Garcia, Environmental Director, Western Region, Constellation Energy  
Mr. Stephen Shulder, Water Treatment Manager and Chemistry Consultant, HDPP, LLC  
Ms. Roberta Mendonca, Government Relations Group  
Mr. Gary Ledford, Intervenor (by telephone)  
Mr. Jeff Russell, V.P. West Region Operations, Mirant California, LLC  
Ms. Amy Chastain, Baykeepers  
Mr. Ben Eichenberg, Stanford Environmental Clinic  
Mr. Michael D. Mahan, California Water League  
Mr. Rocky Bacchus, Freus  
Mr. Thomas Pape, California Urban Water Conservation Council  
Mr. Ken Nittler, Enercomp, Inc.  
Mr. Dave Hawkins, CA ISO

Respectfully submitted

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HARRIET KALLEMEYN  
Secretariat