

Minutes of the August 30, 2006, Energy Commission Business Meeting.

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

Present:

Chairman Pfannenstiel

Vice Chair James D. Boyd

Arthur H. Rosenfeld, Commissioner

John L. Geesman, Commissioner

Jeffrey D. Byron, Commissioner

The Pledge of Allegiance was lead by Chairman Pfannenstiel.

Chairman Pfannenstiel announced that in addition to the agenda that was distributed on August 18, 2006, the commission would take a vote to consider the following item for the consent calendar.

20. WESTERN UNITED RESOURCE DEVELOPMENT, INC. Possible approval of Amendment 3 to Contract 400-01-001 with Western United Resource Development, Inc. for a no-cost time extension to the California Dairy Power Production Program. The extended end date of September 30, 2008 is contingent upon emergency legislation extending the end liquidation date of the funding source. (ERPA funding). Contact: Zhiqin Zhang.

Commissioner Geesman moved and Commissioner Boyd seconded consideration of Item 20 for the Consent Calendar. The vote was unanimous. (5-0)

Commissioner Geesman moved and Commissioner Boyd seconded approval of the Consent Calendar. The vote was unanimous. (5-0)

1. CALIFORNIA CERTIFIED ENERGY RATING AND TESTING SERVICES (CalCERTS®). Possible approval to recertify CalCERTS® as a Home Energy Rating System provider for the 2005 Building Energy Efficiency Standards. The CalCERTS® Home Energy Rating System now includes the Carrier-Aeroseal® and CheckMe!® Third Party Quality Control Programs. Contact: Bruce Maeda. (10 minutes)

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval to recertify CalCERTS® as a Home Energy Rating System Provider for the 2005 Building Energy Efficiency Standards. The vote was unanimous. (5-0)

2. NATURAL GAS RESEARCH INVESTMENT PLAN. Consideration and possible adoption of the 2007-2011 Natural Gas Research Investment Plan. Contact: Kelly Birkinshaw. (10 minutes)

Commissioner Rosenfeld moved and Commissioner Geesman seconded adoption of the 2007-2011 Natural Gas Research Investment Plan. The vote was unanimous. (5-0)

3. WESTERN INTERSTATE ENERGY BOARD. Possible approval of Contract 150-06-001 for \$18,000 to renew the Energy Commission's membership in the Western

Interstate Energy Board (WIEB). WIEB consists of 12 Western states and three western Canadian provinces. It is the energy arm of the Western Governors' Association (WGA) and provides technical assistance in support of WGA energy initiatives. (ERPA funding). Contact: Grace Anderson. (10 minutes)

Commissioner Rosenfeld moved and Commissioner Byron seconded approval of Contract 150-06-001. The vote was unanimous. (5-0)

4. NATIONAL ASSOCIATION OF STATE ENERGY OFFICIALS. Possible approval of Contract 400-06-004 for \$19,390 for dues and meeting fees for the Energy Commission's membership in the National Association of State Energy Officials from September 8, 2006, to June 30, 2007. (ERPA funding). Contact: John Sugar. (10 minutes)

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Contract 400-06-004. The vote was unanimous. (5-0)

5. MARIN COUNTY CULTURAL SERVICES DEPARTMENT. Possible approval of a \$326,477 loan to the Marin County Cultural Services Department to upgrade lighting and replace six package HVAC units at the Exhibit Hall. This project is estimated to reduce annual energy expenditures by \$33,314. The project has an estimated simple payback of 9.8 years based on the loan amount. (ECAA and/or bond funding). Contact: Monica Rudman. (10 minutes)

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of the loan of \$326,477 to the Marin County Cultural Services Department. The vote was unanimous. (5-0)

6. MARIN COUNTY DEPARTMENT OF PUBLIC WORKS. Possible approval of a \$553,345 loan to the Marin County Department of Public Works to upgrade lighting, upgrade heat pump operations, and install a photovoltaic system at 120 North Redwood Drive in San Rafael. This project is estimated to reduce annual energy expenditures by \$56,464. The project has an estimated simple payback of 9.8 years based on the loan amount. (ECAA and/or bond funding). Contact: Monica Rudman. 10 minutes

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of the loan of \$553,345 to the Marin County Department of Public Works. The vote was unanimous. (5-0)

7. CREATUS, INC. Possible approval of Purchase Order 06-433.00-005 for \$250,000 to Creatus, Inc., for application and database development and support. This purchase order will provide a vehicle to obtain timely development and support services for the Energy Commission's essential applications and database systems where the specific knowledge and technical expertise are not available from Energy Commission staff. (ERPA funding). Contact: Rita Gass. (10 minutes)

Commissioner Geesman moved and Commissioner Rosenfeld seconded approval of Purchase Order 06-433.00-005. The vote was unanimous. (5-0)

8. SHANDAM CONSULTING SERVICES. Possible approval of Purchase Order 06-433.00-013 for \$197,000 to Shandam Consulting Services for information

technology network engineering and architecture support. Such services are highly specialized, and the specific knowledge and expertise is not available within Energy Commission staff. (ERPA funding). Contact: Derek Davis. (10 minutes)

Commissioner Geesman moved and Commissioner Rosenfeld seconded approval of Purchase Order 06-433.00-013. The vote was unanimous. (5-0)

9. PIER TECHNICAL SUPPORT CONTRACTS. Possible approval of four PIER Technical Support Contracts to provide technical, administrative, and project management aspects of energy science and energy Research Development and Demonstration (RD&D) and program management of the subcontractor team. (PIER electricity and natural gas funding). Contact: Jamie Cameron-Harley. (10 minutes)

- a. Contract 500-06-011 for \$1,000,000 with ICF Resources, LLC

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-06-011. The vote was unanimous. (5-0)

- b. Contract 500-06-012 for \$1,000,000 with Navigant Consulting, Inc.

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-06-012. The vote was unanimous. (5-0)

- c. Contract 500-06-013 for \$1,000,000 with Science Application International Corporation.

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-06-013. The vote was unanimous. (5-0)

- d. Contract 500-06-014 for \$1,000,000 with Kema, Inc.

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-06-014. The vote was unanimous. (5-0)

10. APX, INC. Possible approval of Contract 400-06-005 for \$3,277,702 with APX, Inc., for the System Development and Technical Operations of the Western Renewable Energy Generation Information System (WREGIS). (RRTF funding). Contact: Kate Zochetti. (10 minutes)

Commissioner Geesman moved and Commissioner Boyd seconded approval of Contract 400-06-005. The vote was unanimous. (5-0)

11. MARKETPOINT, INC. Possible approval of Purchase Order 06-432.01-007 with MarketPoint, Inc. for \$27,000 to renew the annual MarketBuilder and Analysis Accelerator licenses. Energy Commission staff utilize these proprietary software packages to run the North American Regional Gas (NARG) model, the natural gas market supply and demand scenario, and sensitivity analysis in the natural gas and electricity markets. (ERPA funding). Contact: Jairam Gopal.

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Purchase Order 06-432.01-007. The vote was unanimous. (5-0)

12. **SOUTH BAY REPLACEMENT PROJECT DATA ADEQUACY RECOMMENDATION AND COMMITTEE ASSIGNMENT.**

- a. Possible approval of the Executive Director's data adequacy recommendation for the South Bay Replacement Project, a natural gas-fired, combined-cycle facility with a nominal 500 megawatt output, Docket 06-AFC-3. Contact: Bill Pfanner. (10 minutes)

Commissioner Geesman moved and Commissioner Rosenfeld seconded approval of the Executive Director's data adequacy recommendation. The vote was unanimous. (5-0)

- b. Possible committee assignment for the South Bay Replacement Project, Docket 06-AFC-3. Contact: Bill Pfanner. (5 minutes)

Commissioner Byron moved and Commissioner Boyd seconded approval of the appointment of Commissioner Geesman as presiding member and Commissioner Rosenfeld as second member of the siting committee for the South Bay Replacement Project. The vote was unanimous. (5-0)

13. **Minutes**

- a. Approval of the August 2, 2006, Business Meeting Minutes.

Commissioner Geesman moved and Commissioner Rosenfeld seconded approval of the August 2, 2006 minutes. The vote was 3-0. Chairman Pfannenstiel and Commissioner Boyd abstained.

- b. Approval of the August 16, 2006 Business Meeting Minutes.

Commissioner Byron moved and Commissioner Geesman seconded approval of the August 16, 2006 minutes. Commissioner Rosenfeld abstained.

14. **Commission Committee Presentations/Discussion**

On behalf of the Electricity Committee, Commissioner Byron commended the staff for their work on the August 29, 2006 Heat Storm workshop.

15. **Chief Counsel's Report**

Chief Counsel Bill Chamberlain requested a closed session pursuant to Government Code Section 11126 to discuss a matter related to potential litigation.

16. **Executive Director's Report**

Chief Deputy Director Scott Matthews reported on the status of upgrades to the Energy Commission's security system.

17. **Legislative Director's Report**

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

18. **Public Adviser's Report** – *None given.*

19. **Public Comment** – *None.*

Appearances:

Mr. Steven Shallenberger, Synergy Companies

Mr. Luke Herman, Enalysis

Mr. Bobby Locke, Locke Air Conditioning

Mr. Tim Locke

Mr. Dave Modisette, California Electric Transportation Corporation

Mr. Manuel Alvarez, Southern California Edison

Mr. Raul (Bernie) Orozco, Sempra Energy Utilities

Ms. Patty Avery, Proctor Engineering

Respectfully submitted

HARRIET KALLEMEYN
Secretariat