

Minutes of the June 20, 2007, California Energy Commission Business Meeting.

The meeting was called to order at 10:05 by Chairman Jackalyne Pfannenstiel. The Pledge of Allegiance was lead by Chairman Pfannenstiel.

Present:

Chairman Jackalyne Pfannenstiel

James D. Boyd, Vice Chair

Arthur H. Rosenfeld, 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. U. S. DEPARTMENT OF ENERGY-LAWRENCE BERKELEY NATIONAL LABORATORY. Possible approval of Amendment 1 to PIER Work Authorization MR-047 with the U. S. Department of Energy-Lawrence Berkeley National Laboratory, under the UC Master Research Agreement Number 500-02-004 with The Regents of the University of California-Office of the President/CIEE, for a no cost time extension of eleven months to June 30, 2008, for *Research and Monitoring of Reliability and Operations Issues for Integration of Renewable Resources*. Contact: Clare Laufenberg.
 - b. LOCAL GOVERNMENT COMMISSION. Possible approval of Contract 100-06-003 for \$4,995 with the Local Government Commission (LGC) to sponsor the LGC's annual statewide conference for mayors, city council members and county supervisors. The conference will be *The Role of Smart Growth in Addressing Global Warming* and will be held in Yosemite, March 13-18, 2008. (ERPA funding.) Contact: Panama Bartholomy.
 - c. CALIFORNIA DEPARTMENT OF CONSERVATION. Possible approval of Amendment 1 to Contract 500-05-028 with the California Department of Conservation to change the scope of work, moving the site for detailed analysis to a more applicable California site. Contact: Larry Myer.
 - d. SCRIPPS INSTITUTE OF OCEANOGRAPHY. Possible approval of Amendment 1 to PIER Work Authorization MR-039 with the Regents of the University of California, San Diego Scripps Institution of Oceanography, under the UC Master Research Agreement Number 500-02-004 with The Regents of the University of California-Office of the President/CIEE, for a no cost time extension of eleven months from July 15, 2007 to June 30, 2008, for *Evaluation of Potential for Improved Co-Management of California and Pacific Northwest Water and Hydropower Resources*. Contact: Joe O'Hagan.

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

2. NETWORK DESIGN ASSOCIATES. Possible approval of Purchase Order 60-433.00-017 for \$200,000 for specialized system analysis services, project-specific

technical training and Macintosh support for the Energy Commission's Information Technology Services Branch. (ERPA funding.) Contact: Sharon Jane Matthews. (10 minutes)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Purchase Order 60-433.00-017. The vote was unanimous. (3-0)

3. PETERS SHORTHAND REPORTING. Possible approval of Contract 150-07-001 for \$315,000 with Peters Shorthand Reporting Corporation to provide hearing reporter services for Energy Commission Business Meetings and other hearings and workshops for three years. (ERPA funding.) Contact: Susanne Garfield-Jones. (5 minutes)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Contract 150-07-001. The vote was unanimous. (3-0)

4. PETERS SHORTHAND REPORTING. Possible approval of Contract 170-07-001 for \$180,000 with Peters Shorthand Reporting Corporation to provide hearing reporter services for power plant siting case hearings and workshops for three years. (ERPA funding.) Contact: Katherine Nicholls. (5 minutes)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Contract 170-07-001. The vote was unanimous. (3-0)

5. COOPERATIVE PERSONNEL SERVICES. Possible approval of Amendment 1 to Contract 200-05-003 with Cooperative Personnel Services to extend the contract one year and add \$200,000 to develop a new classification scheme for the Energy Commission. (ERPA funding.) Contact: Gina Tosi-Smith. (5 minutes)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Amendment 1 to Contract 200-05-003. The vote was unanimous. (3-0)

6. INTER-CON SECURITY SYSTEMS, INC. Possible approval of Contract 200-07-004 for \$705,000 with Inter-Con Security Systems, Inc., for security guard services at the Energy Commission for three years. (ERPA funding.) Contact: Gina Tosi-Smith. (5 minutes)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Contract 200-07-004. The vote was unanimous. (3-0)

7. LAMONT FINANCIAL SERVICES CORPORATION. Possible approval of Contract 400-06-020 for \$100,000 with Lamont Financial Services Corporation to provide financial advisory, tax and investment advisory services for the Energy Commission's Tax Exempt Revenue Bond Program. (Bond administration funding.) Contact: Jane Heinz. (5 minutes)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Contract 400-06-020. The vote was unanimous. (3-0)

8. INTERNATIONAL ENERGY FUND. Possible approval of \$125,000 for five awards under the International Energy Fund (IEF). The IEF provides pre-investment funding for selected California companies to implement energy projects in foreign countries. The recommended proposals comprise a variety of energy technologies, and are located primarily in Asia and Latin America. The maximum award for one project is \$25,000. (ERPA funding.) Contact: Brenda Sturdivant. (5 minutes)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of the five proposed awards. The vote was unanimous. (3-0)

9. PUBLIC SECTOR CONSULTING, INC. Possible approval of Purchase Order 06-433.00.015 for \$150,000 with Public Sector Consulting, Inc. for an Independent Project Oversight Consultant for the Dynamic Simulation Transportation Energy Model (DynaSim) Project. The Department of Finance (DOF) requires that the Energy Commission retain an independent consultant to provide impartial and objective reporting to the DOF. (ERPA funding.) Contact: Malachi Weng-Gutierrez. (5 minutes)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Purchase Order 06-433.00.015. The vote was unanimous. (3-0)

10. TIAX, LLC. Possible approval of Contract 600-06-036 for \$159,520 with TIAX, LLC to continue support for the Greenhouse Gases, Regulated Emissions and Energy Use in Transportation model (GREET). TIAX will update the model to be used as a tool for policymaking in California, document the model and train Energy Commission staff. (ERPA funding.) Contact: McKinley Addy. (5 minutes)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Contract 600-06-036. The vote was unanimous. (3-0)

11. ICF RESOURCES, LLC. Possible approval of Amendment 1 to Contract 500-06-011 with ICF Resources, LLC, adding \$1,940,000 to continue technical support for the Energy Research and Development Division. (PIER electricity, natural gas and transportation funding, GRDA funding.) Contact: Jesselyn Rosales. (10 minutes)

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Amendment 1 to Contract 500-06-011. The vote was unanimous. (3-0)

12. NAVIGANT CONSULTING, INC. Possible approval of Amendment 1 to Contract 500-06-012 with Navigant Consulting, Inc., adding \$2,310,000 to continue technical support for the Energy Research and Development Division. (PIER electricity, natural gas and transportation funding, GRDA funding.) Contact: Jesselyn Rosales. (10 minutes)

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Amendment 1 to Contract 500-06-012. The vote was unanimous. (3-0)

13. SCIENCE APPLICATION INTERNATIONAL CORPORATION. Possible approval of Amendment 1 to Contract 500-06-013 with Science Application International Corporation adding \$1,500,000 to continue technical support for the Energy Research and Development Division. (PIER electricity, natural gas and transportation funding, GRDA funding.) Contact: Jesselyn Rosales. (10 minutes)

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Amendment 1 to Contract 500-06-013. The vote was unanimous. (3-0)

14. KEMA CONSULTING, INC. Possible approval of Amendment 1 to Contract 500-06-014 with KEMA Consulting, Inc. adding \$2,250,000 to continue technical support for the Energy Research and Development Division. (PIER electricity and natural gas funding.) Contact: Jesselyn Rosales. (10 minutes)

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Amendment 1 to Contract 500-06-014. The vote was unanimous. (3-0)

15. UNIVERSITY OF CALIFORNIA-OFFICE OF THE PRESIDENT/CIEE. Possible approval of Amendment 5 to Contract 500-99-013 with the Regents of the University of California-Office of the President/CIEE, adding \$15,000,000, and extending the contract term by 27 months. The amendment clarifies that along with technical support this agreement is also used for research, development, and demonstration activities and will provide support to the PIER Program through 2010. (PIER electricity and natural gas funding.) Contact: Beth Chambers. (5 minutes)

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Amendment 5 to Contract 500-99-013. The vote was unanimous. (3-0)

16. NATIONAL CENTER FOR ATMOSPHERIC RESEARCH. Possible approval of PIER Work Authorization MR-071 for \$150,000.00 with the National Center for Atmospheric Research, under the UC Master Research Agreement Number 500-02-004 with The Regents of the University of California-Office of the President/CIEE, for *Validation Of Lateral Boundary Conditions For Regional Climate Models Applied To The California Region*. The project will evaluate how well global climate models simulate the atmospheric transport of moisture to the California region from the Pacific Ocean. (PIER electricity funding.) Contact: Guido Franco. (5 minutes)

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Work Authorization MR-071. The vote was unanimous. (3-0)

17. CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION. Possible approval of Contract 500-06-060 for \$450,000 with the California Department of Corrections and Rehabilitation for a collaborative research agreement to demonstrate a heat recovery technology that improves the efficiency of a turbine. (PIER electricity funding.) Contact: Geoff Lesh (5 minutes)

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Contract 500-06-060. The vote was unanimous. (3-0)

18. SACRAMENTO MUNICIPAL UTILITY DISTRICT. Possible approval of Contract 500-06-059 for \$100,000 with Sacramento Municipal Utility District to demonstrate the end-user and grid benefits of a new distributed energy storage technology. (PIER electricity funding.) Contact: Geoff Lesh. (5 minutes)

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Contract 500-06-059. The vote was unanimous. (3-0)

19. LAWRENCE BERKELEY NATIONAL LABORATORY. Possible approval of Contract 500-06-058 for \$275,000 with the U. S. Department of Energy-Lawrence Berkeley National Laboratory to develop the Benchmarking and Energy and Water Savings Tool (BEST) to measure energy performance and water efficiency in the California dairy industry. (PIER electricity funding.) Contact: Rajesh Kapoor. (5 minutes)

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Contract 500-06-058. The vote was unanimous. (3-0)

20. KERN COUNTY PLANNING DEPARTMENT. Possible approval of Contract 500-06-056 for \$500,000 with Kern County Planning Department to measure wind resources in the expanded Tehachapi-Mojave Wind Area. The Planning Department will conduct a region-wide energy forecasting and pre-sensing effort to characterize wind resources, and couple with industry on-site data monitoring. (PIER electricity funding.) Contact: Dora Yen. (5 minutes)

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Contract 500-06-056. The vote was unanimous. (3-0)

21. CULVER CITY ENERGY EFFICIENCY STANDARD. Possible approval of Culver City's adoption and enforcement of a local ordinance for commercial buildings requiring energy efficiency standards more stringent than the *2005 Building Energy Efficiency Standards*. Contact: Rob Hudler. (5 minutes)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of the local ordinance. The vote was unanimous. (3-0)

22. 2008 INVESTOR OWNED UTILITIES PEAK DEMAND FORECASTS. Possible adoption of 2008 peak demand forecasts for Southern California Edison, San Diego Gas and Electric, and Pacific Gas and Electric service areas for use in the California Public Utilities Commission 2008 Resource Adequacy year-ahead forecast review and adjustment process. Contact: Lynn Marshall. (10 minutes)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of the 2008 peak demand forecasts. The vote was unanimous. (3-0)

23. ADMINISTRATIVE SUBPOENA. Possible approval of an administrative subpoena directing the California Independent System Operator to provide data needed to evaluate generation and transmission outages, congestion, must-offer waivers, and load, to aid in assessing resource adequacy for summer 2008 and beyond. Contact: Caryn Holmes. (10 minutes)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of the administrative subpoena. The vote was unanimous. (3-0)

24. APPLIANCE EFFICIENCY REGULATIONS (07-AAER-1). Possible adoption of the Proposed Amendments to the Appliance Efficiency Regulations originally published as

Express Terms (45-Day Language) December 1, 2006, with two subsequent 15-Day Language changes and 15-Day Public Notice Periods. These amendments will make changes required by a Federal Court Order and a Joint Status Conference Statement Order. Contact: Bill Staack. (10 minutes)

Commissioner Rosenfeld moved and Commissioner Boyd seconded adoption of the proposed amendments. The vote was unanimous. (3-0)

25. **ORDER INITIATING A PUBLIC PROCEEDING.** Senate Bill 1, Chapter 132, (2006) requires the Energy Commission to initiate a public proceeding no later than July 1, 2007, to study and make findings whether, and under what conditions, solar energy systems should be required on new residential and nonresidential buildings and to periodically update the study. (Pub. Res. Code Section 25405.6). This Order will initiate this public proceeding and delegate authority to the Efficiency Policy Committee to proceed with the study and make the required findings to the Energy Commission. Contact: Claudia Orlando. (10 minutes)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of the Order. The vote was unanimous. (3-0)

26. **Minutes**
Approval of the June 6, 2007, Business Meeting Minutes.

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of the Minutes. The vote was unanimous. (3-0)

27. **Commission Committee Presentations/Discussion** - None
28. **Chief Counsel's Report** – Chief Counsel Bill Chamberlain gave the report.
29. **Executive Director's Report** – Executive Director B. B. Blevins gave the report.
30. **Legislative Director's Report** – Legislative Director Mike Smith gave the report.
31. **Public Adviser's Report** – None
32. **Public Comment** – None

There being no further business, the meeting was adjourned at 11:43.

Respectfully submitted,

HARRIET KALLEMEYN
Secretary to the Commission