

STATE OF CALIFORNIA
California Energy Commission

Minutes of the September 24, 2008, Energy Commission Business Meeting.

The meeting was called to order at 10:02 by Vice Chair James D. Boyd. The Pledge of Allegiance was led by Vice Chair Boyd.

Present:

James D. Boyd, Vice Chair
Arthur H. Rosenfeld, Commissioner
Jeffrey D. Byron, Commissioner
Karen Douglas, 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. EMERGING TECHNOLOGIES SUMMIT. Possible approval of Contract 500-08-015 for \$25,000 with Southern California Gas (for the Emerging Technologies Coordinating Council) to co-sponsor the Emerging Technologies Summit October 26-28, 2008, in San Diego, California. This event is a key venue for information exchange on energy research among utilities, architects, energy managers, researchers, government agencies, and other entities, and a significant opportunity to showcase PIER projects and technologies. (PIER electricity funding.) Contact: Elaine Hebert.
 - b. ASIA-PACIFIC PARTINERSHIP ON CLEAN DEVELOPMENT AND CLIMATE. Possible approval of a no-cost co-sponsorship, staff time, travel expenses and use of the Energy Commission's name for two regional briefings by the Asia-Pacific Partnership on Clean Development and Climate to be held in San Jose and Los Angeles during October 2008. Contact: Alan Argentine.

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

2. WILLOW PASS GENERATING STATION (08-AFC-6). Contact: Michelle Woods. (10 minutes)
 - a. Possible approval of the Executive Director's data adequacy recommendation for Mirant Willow Pass, LLC's Application for Certification of the Willow Pass Generating Station, a nominal 550-megawatt (MW) natural gas electric generating facility proposed on a 26-acre site in the City of Pittsburg in Contra Costa County, California.
 - b. Possible appointment of a siting committee for the Willow Pass Generating Station.

Item 2 was moved to the October 8, 2008, Business Meeting agenda.

3. MARSH LANDING GENERATING STATION (08-AFC-3).

Contact: Mike Monasmith. (10 minutes)

- a. Possible approval of the Executive Director's data adequacy recommendation for Mirant Marsh Landing, LLC's Application for Certification for the Marsh Landing Generating Station.

Commissioner Douglas moved and Commissioner Byron seconded approval of the Executive Director's recommendation that the AFC be found data adequate. The vote was unanimous. (4-0)

- b. Possible appointment of a siting committee for the Marsh Landing project.

Vice Chair Boyd appointed himself presiding member and Commissioner Douglas second member of the siting committee for the Marsh Landing project. Commissioner Rosenfeld moved and Commissioner Byron seconded approval of the appointments. The vote was unanimous. (4-0)

4. PALMDALE HYBRID POWER PROJECT. (08-AFC-9). Contact: John Kessler. (10 minutes)

- a. Possible approval of the Executive Director's data adequacy recommendation for City of Palmdale's Application for Certification of the Palmdale Hybrid Power Project. The proposed project is a combined-cycle generating facility integrating 250 acres of parabolic trough solar collectors that would contribute up to 50 megawatts (MW) of the total nominal generating capacity of 617 MW, in Los Angeles County, California.
- b. Possible appointment of a siting committee for the Palmdale Hybrid Power Project.

Item 4 was moved to the October 8, 2008, Business Meeting agenda.

5. HUMBOLDT BAY REPOWER PROJECT (06-AFC-7). Possible adoption of the August 15, 2008, Presiding Member's Proposed Decision, and Errata for the Humboldt Bay Repower Project. Contact: Gary Fay. (10 minutes)

Commissioner Byron moved and Commissioner Rosenfeld seconded adoption of the Presiding Member's Proposed Decision and Errata dated September 24, 2008. The vote was unanimous. (4-0).

6. RUSSELL CITY ENERGY CENTER (01-AFC-7C). Consideration of two petitions for reconsideration asking the Commission to change its decision of July 30, 2008, in which the Commission extended the deadline to begin construction of the project. Contact: Jonathan Blee. (30 minutes)

Commissioner Byron moved to deny the petitions for reconsideration, and Commissioner Douglas seconded the motion. The vote was unanimous. (4-0)

7. CITY AND COUNTY OF SAN FRANCISCO. Possible approval of City and County of San Francisco Locally Adopted Energy Standards for residential and nonresidential newly constructed buildings and major alterations requiring greater energy efficiency than the 2005 Building Energy Efficiency Standards. The proposed standards would

become effective on October 1, 2008. Contact: Devorah Eden. (5 minutes)

Commissioner Rosenfeld moved and Commissioner Douglas seconded approval of the City and County of San Francisco's local energy standards. The vote was unanimous. (4-0)

8. SACRAMENTO MUNICIPAL UTILITIES DISTRICT. Possible approval of Contract 500-08-009 for \$1,586,290 with the Sacramento Municipal Utility District (SMUD) for the first phase of research to explore the installation of a Microgrid /Smartgrid at SMUD corporate headquarters in a single customer, multi-facility application. The first phase of the project involves design, test plan development and outreach activities. After consideration of the first phase results, the Energy Commission may approve the second phase, which will include installation and demonstration of the Microgrid /Smartgrid with a 310 kW base load (375 kW peak load) capability. (PIER electricity funding.) Contact: Bernard Treanton. (5 minutes)

Commissioner Rosenfeld moved and Commissioner Byron seconded approval of Contract 500-08-009. The vote was unanimous. (4-0)

9. CALIFORNIA DEPARTMENT OF FISH AND GAME. Possible approval of Interagency Agreement 500-08-010 for \$2,997,955 with California Department of Fish and Game to demonstrate and validate an environmental analysis tool for renewable energy siting. The project will use the Desert Natural Communities Conservation Plan process to test Planning Alternative Corridors for Transmission (PACT), a tool designed to provide a technically valid and transparent method for comparing the environmental and engineering merits of alternative energy facility sites. (PIER Electricity funding.) Contact: Linda Spiegel. (5 minutes)

Commissioner Rosenfeld moved and Commissioner Byron seconded approval of Contract 500-08-010. The vote was unanimous. (4-0)

10. U. S. DEPARTMENT OF ENERGY. Possible approval of Memorandum of Understanding 500-08-011 with U. S. Department of Energy (DOE) for collaboration on electricity energy storage projects. This agreement will permit Energy Commission staff to participate in DOE decisions regarding federal research and development projects in and for California. It will also permit the DOE to access sites of Energy Commission-funded research and development technologies and related operational data to assess their performance characteristics. Contact: Pramod Kulkarni. (5 minutes)

Commissioner Byron moved and Commissioner Rosenfeld seconded approval of Memorandum of Understanding 500-08-011. The vote was unanimous. (4-0)

11. U. S. DEPARTMENT OF ENERGY-PACIFIC NORTHWEST NATIONAL LABORATORY. Possible approval of Contract 500-08-013 with U. S. Department of Energy-Pacific Northwest National Laboratory for \$228,337 to develop modeling capabilities for consistent analysis of California's energy system and the impacts of proposed supply and demand-side policies. (PIER electricity funding.) Contact: Guido Franco. (5 minutes)

Item 11 was held over to a future Business Meeting.

12. UC DAVIS. Possible approval of Contract 500-08-005 for \$300,000 with the Regents of the University of California, Davis to expand and enhance CALVIN, a water resources management tool. The project will include a module to track the energy implications of measures the state may implement in the water sector to cope with climate change. (PIER electricity funding.) Contact: Guido Franco. (5 minutes)

Item 12 was held over to a future Business Meeting.

13. UC SANTA BARBARA, BREN SCHOOL OF ENVIRONMENTAL SCIENCE & MANAGEMENT. Possible approval of Work Authorization MRA-02-078 for \$397,000 under Contract 500-02-004 with The Regents of the University of California – Office of the President/CIEE. Researchers at UC Santa Barbara’s Bren School of Environmental Science & Management will provide a statewide overview of potential effects on California's wildlife species and water use due to changes in crops and farming practices to generate renewable biofuel feedstocks. (PIER electricity funding.) Contact: Joe O’Hagan. (5 minutes)

Item 13 was held over to a future Business Meeting.

14. ALTOSTRATUS, INC. Possible approval of Contract 500-08-007 with Altostratus, Inc. for \$200,000 to conduct modeling and analysis to predict the air quality and electricity impacts of potential urban heat island mitigation strategies. (PIER electricity funding.) Contact: Marla Mueller. (5 minutes)

Commissioner Rosenfeld moved and Commissioner Douglas seconded approval of Contract 500-08-007. The vote was unanimous. (4-0)

15. UC ENERGY INSTITUTE. Possible approval of Contract 500-08-006 for \$2,394,375 with the Regents of the University of California, Office of the President to fund the Center for the Study of Energy Markets (CSEM) at the UC Energy Institute. CSEM will conduct research in market design and operation for 42 months, beginning October 1, 2008. (PIER electricity and natural gas funding.) Contact: Mike Gravely. (5 minutes)

Item 15 was held over to a future Business Meeting.

16. ROBERT BOSCH CORPORATION. Possible approval of Memorandum of Understanding 600-08-002 with Robert Bosch Corporation for the no-cost loan of light duty clean diesel vehicles to the Energy Commission to assess new diesel technology. Resulting information will be shared with key legislative staff and the public. Contact: Gary Yowell. (5 minutes)

Commissioner Rosenfeld moved and Commissioner Byron seconded approval of Memorandum of Understanding 600-08-002. The vote was unanimous. (4-0)

17. EXISTING RENEWABLE FACILITIES PROGRAM GUIDEBOOK. Possible adoption of the Committee Draft *Existing Renewable Facilities Program Guidebook*. The *Guidebook* describes the Energy Commission’s process for awarding production incentives to existing in-state renewable energy generating facilities. Contact: Jason Orta. (15 minutes)

Commissioner Douglas moved and Commissioner Byron seconded approval of the Draft Existing Renewable Facilities Program Guidebook. The vote was unanimous. (4-0)

18. **Minutes**

Approval of the September 10, 2008, Business Meeting Minutes.

Commissioner Rosenfeld moved and Commissioner Byron seconded approval of the September 10, 2008, Minutes. The vote was unanimous. (4-0)

19. **Commission Committee Presentations/Discussion** – None

20. **Chief Counsel's Report** – None

21. **Executive Director's Report** – None

22. **Legislative Director's Report** – Legislative Director Chris Marxen gave the report.

23. **Public Adviser's Report** – Public Adviser Elena Miller gave the report.

24. **Public Comment** – None

Appearances:

Mr. Jonathan Sacks, Mirant

Mr. Scott Galati, Galati, Blek LLP

Mr. Manuel Alvarez, Southern California Edison

Ms. Diane Fellman, FPL Energy Project Management, Inc

Ms. Julee Malinowski-Ball, California Biomass Energy Alliance

Mr. Robert Sarvey, Californians for Renewable Energy

Mr. Rick Martin, North Coast Unified Air Quality Management District

Mr. Rob Simpson, Hayward Area Planning Association

Mr. Greg Lamberg, Radback Energy

Mr. Barry Lubovski, Building and Construction Trades Council of Alameda County

Mr. J. V. McCarthy

Mr. Matt Maloon, International Brotherhood of Electrical Workers

Mr. Rick Thomas, Calpine

There being no further business, the meeting was adjourned.

Respectfully submitted,

HARRIET KALLEMEYN
Secretary to the Commission