

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Minutes of the February 25, 2009, Energy Commission Business Meeting.

The meeting was called to order at 10:00 a.m. by Vice Chair James D. Boyd. The Pledge of Allegiance was led by Vice Chair Boyd.

Present:

James D. Boyd, Vice Chair

Jeffrey D. Byron, Commissioner

Julia A. Levin, 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. KEMA, INC. Possible approval of Amendment 1 to Contract 600-05-011 for a no-cost time extension of nine months for the California-Mexico Border Energy Analysis to allow the contractor to complete and report on multinational meetings. Contact: Chris Scott.
 - b. COLLABORATIVE FOR HIGH PERFORMANCE SCHOOLS. Possible approval of an Amendment to Grant FED-07-001 with the Collaborative for High Performance Schools for a no-cost time extension from July 1, 2009 to January 2, 2010. This extension allows the participating facility managers at pilot schools to complete work during the least burdensome part of the school year. Contact: Elizabeth Shirakh.
 - c. LOCAL GOVERNMENT COMMISSION AHWAHNEE LAND USE CONFERENCE. Possible approval of \$4,950, staff time and use of the Energy Commission's name for co-sponsorship of the Local Government Commission's annual Ahwahnee Land Use Conference March 13-15, 2009 at Yosemite National Park. (ERPA funding.) Contact: Nancy McKeever.
 - d. CLEAN HEAVY-DUTY VEHICLE CONFERENCE. Possible approval of \$4,950, staff time, travel expenses and use of the Energy Commission's name and logo for co-sponsorship of the Clean Heavy-Duty Vehicle Conference in Long Beach, California March 16-19. (ERPA funding.) Contact: Aleecia Macias.

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

2. ENERGY COMMISSION COMMITTEE APPOINTMENTS. Possible approval of revised appointments to the Energy Commission's Standing Committees and Siting Committees. Contact: Panama Bartholomy. (5 minutes)

Commissioner Byron moved and Commissioner Levin seconded approval of the revised committee appointments. The vote was unanimous. (3-0)

3. EMERGING RENEWABLES PROGRAM GUIDEBOOK. Possible adoption of revisions to the *Emerging Renewables Program Guidebook*. The *Guidebook* addresses the requirements for receiving incentives to install eligible fuel cell systems and small wind generating systems that receive electricity from specified investor-owned utilities. Contact: Mark Hutchison. (10 minutes)

Commissioner Byron moved and Commissioner Levin seconded adoption of the revisions to the Guidebook. The vote was unanimous. (3-0)

4. AB 868 FUEL DELIVERY TEMPERATURE STUDY. Possible adoption of the *Fuel Delivery Temperature Study Committee Report* mandated by Assembly Bill 868 (Davis, Chapter 398, Statutes of 2007). The legislation directs the Energy Commission to conduct a cost-benefit analysis and make recommendations on automatic temperature compensation devices at retail gasoline service stations. Contact: Gordon Shremp. (45 minutes)

Item 4 was removed from the agenda and will be heard at a later date.

5. ALTERNATIVE AND RENEWABLE FUEL AND VEHICLE TECHNOLOGY PROGRAM. Possible adoption of regulations to implement the Alternative and Renewable Fuel and Vehicle Technology Program under Health and Safety Code section 44270-44273. Contact: Aleecia Macias. (10 minutes)

Commissioner Byron moved and Commissioner Levin seconded adoption of the regulations. The vote was unanimous. (3-0)

6. RIVERSIDE ENERGY RESOURCE CENTER UNITS 3 & 4 (08-SPPE-1). Consideration and possible adoption of the Proposed Small Power Plant Exemption Decision and Notice of Intent to Adopt a Mitigated Negative Declaration for Riverside Energy Resource Center Units 3 & 4. Contact: Raoul Renaud. (10 minutes)

Commissioner Byron moved and Commissioner Levin seconded adoption of the Mitigated Negative Declaration and the Proposed Decision. The vote was unanimous. (3-0)

7. SAN JOAQUIN SOLAR 1 & 2 POWER PROJECT (08-AFC-12). Contact: Joseph Douglas. (10 minutes)
 - a. Possible approval of the Executive Director's data adequacy recommendation for the San Joaquin Solar 1 & 2 hybrid project, a nominal 106-megawatt solar/biomass hybrid facility located near the city of Coalinga in Fresno County.
 - b. Possible appointment of a siting committee for the San Joaquin project.

After it was presented, Vice Chair Boyd moved and Commissioner Levin seconded continuing Item 7 to the March 11, 2009, Business Meeting. The vote was unanimous. (3-0)

8. LOS ANGELES DEPARTMENT OF WATER & POWER. Energy Commission consideration of the Request for Rehearing/Reconsideration of the Los Angeles Department of Water & Power on Final Opinion on Greenhouse Gas Regulatory Strategies. Contact: William Chamberlain. (30 Minutes)

Commissioner Byron moved and Commissioner Levin seconded denial of the Request. The vote was unanimous. (3-0)

9. ROBERT J. WATSON ENTERPRISES, INC. Possible approval of Contract 150-08-003 for \$193,201 with Robert J. Watson Enterprises, Inc., dba Resolution, to provide facilitated opportunities for learning and developing communication skills, problem prevention and conflict resolution for Energy Commission staff. (ERPA funding.) Contact: Betty LaFranchi. (5 minutes)

Commissioner Byron moved and Commissioner Levin seconded approval of Contract 150-08-003. The vote was unanimous. (3-0)

10. HAAGEN-SMIT SYMPOSIUM. Possible approval of Contract 600-08-005 for \$25,000 with California Air Resources Board for co-sponsorship of the Haagen-Smit Symposium June 1-4, 2009, in Asilomar. The symposium will present cutting-edge science with significant health and environmental implications. This year the theme of the event will be "Addressing the Missing Piece of California's Carbon Footprint: International Travel, Imports, and Non-Kyoto Pollutants." (ERPA funding.) Contact: Monica Rudman. (5 minutes)

Commissioner Levin moved and Commissioner Byron seconded approval of Contract 600-08-005. The vote was unanimous. (3-0)

11. OIL PRICE INFORMATION SERVICE RENEWAL. Possible approval of Purchase Order 08.445.03-022 for \$130,963 with Oil Price Information Service (OPIS) to renew the Energy Commission's subscription for two years. OPIS provides comprehensive daily and weekly wholesale, retail and spot prices for transportation fuels. Staff uses the data to assess market conditions, potential supply side issues and as baseline data for petroleum and renewable energy price forecasts for the Integrated Energy Policy Report. (ERPA funding.) Contact: Keith O'Brien. (5 minutes)

Commissioner Byron moved and Commissioner Levin seconded approval of Purchase Order 08.445.03-022. The vote was unanimous. (3-0)

12. BR LABORATORIES, INC. Possible approval of Contract 400-08-003 for \$170,000 with BR Laboratories, Inc. to conduct testing to ensure that appliances sold or offered for sale in California comply with energy efficiency standards. The test results are used as the basis for enforcement action against non-complying manufacturers and sellers. Contact: Tovah Ealey. (ERPA funding.) (5 minutes)

Commissioner Byron moved and Commissioner Levin seconded approval of Contract 400-08-003. The vote was unanimous. (3-0)

13. SAN DIEGO GAS & ELECTRIC COMPANY. Possible approval of Contract 500-08-025 for \$2,808,488 with San Diego Gas & Electric Company to demonstrate how a smart grid can utilize multiple advanced and innovative technologies to support the integration and management of utility- and customer-based energy resources in an interconnected network. The research will also evaluate everyday operations of the network to ensure it can consistently provide reliable and stable power to customers in both peak and off-peak periods. (PIER electricity funding.) Contact: Michael Gravely. (10 minutes)

Commissioner Byron moved and Commissioner Levin seconded approval of Contract 500-08-025. The vote was unanimous. (3-0)

14. UNIVERSITY ENTERPRISES, INC. Possible approval of Contract 500-08-027 for \$200,000 with California State University, Sacramento Center for Information Assurance and Security to identify best practices in information security that can be applied to the smart grid system. The project will determine information assurance, security and privacy issues associated with smart grid infrastructure and recommend research and development priorities in these areas. (PIER electricity funding.) Contact: Mike Gravely. (5 minutes)

Commissioner Byron moved and Commissioner Levin seconded approval of Contract 500-08-027. The vote was unanimous. (3-0)

15. LAWRENCE BERKELEY NATIONAL LABORATORY. Possible approval of Work Authorization MRA-02-081 for \$180,000 with Lawrence Berkeley National Laboratory under agreement 500-02-004 with the Regents of the University of California, Office of the President, to establish the Storage Viability and Optimization Website (SVOW). SVOW is a web-based user-friendly calculator that can provide facilities with basic guidance on whether available energy storage technologies merit deeper analysis. (PIER electricity funding.) Contact: Thom Kelly. (5 minutes)

Commissioner Byron moved and Commissioner Levin seconded approval of Work Authorization MRA-02-081. The vote was unanimous. (3-0)

16. STATE WATER PROJECT CONTRACTORS AUTHORITY. Possible approval of Contract 500-08-028 for \$400,000 with the State Water Project Contractors Authority for *Analysis and Optimization of Water and Energy Balances for Storage and Conveyance Systems*. The project will develop methods and tools to analyze options for storage, conveyance and power generation systems for water and energy efficiency to achieve energy conservation, increased power generation, integration of renewable resources, peak load reduction and load shifting. (PIER electricity funding.) Contact: Thom Kelly. (5 minutes)

Commissioner Byron moved and Commissioner Levin seconded approval of Contract 500-08-028. The vote was unanimous. (3-0)

17. SOUTHERN CALIFORNIA GAS COMPANY. Possible approval of Contract 500-08-026 for \$200,000 with Southern California Gas Company to develop Web-based software tools to identify natural gas savings opportunities in the production process. (PIER natural gas funding.) Contact: Thom Kelly. (5 minutes)

Commissioner Byron moved and Commissioner Levin seconded approval of Contract 500-08-026. The vote was unanimous. (3-0)

18. UNIVERSITY OF CALIFORNIA, BERKELEY. Possible approval of Contract 500-08-031 for \$299,992 with the Regents of the University of California, Berkeley to enhance tools for balancing hydropower and environmental protection for an amphibian species of special concern. The project will study the effects of water temperatures from hydropower flow releases on this indicator species to inform and expedite the Federal Energy Regulatory Commission (FERC) relicensing process. (PIER electricity funding.) Contact: Linda Spiegel. (5 minutes)

Commissioner Byron moved and Commissioner Levin seconded approval of Contract 500-08-031. The vote was unanimous. (3-0)

19. MEMORANDA OF UNDERSTANDING WITH THE INDIAN FORUM OF REGULATORS AND THE DELHI REGULATORY COMMISSION. Possible approval of two Memoranda of Understanding between the Energy Commission, the California Public Utilities Commission, Lawrence Berkeley National Laboratory, and The Indian Forum of Regulators and Delhi Regulatory Commission to promote information exchanges and future joint research activities in the areas of energy efficiency and demand-side management, renewable energy development, integrated resource planning, electricity regulation, and transmission pricing. . Contact: David Hungerford (5 minutes)

Commissioner Byron moved and Commissioner Levin seconded approval of the Memoranda. The vote was unanimous. (3-0)

20. **Minutes:** January 28, 2009, Business Meeting Minutes. (For information only.)
21. **Commission Committee Presentations/Discussion:** None
22. **Chief Counsel's Report:** None
23. **Executive Director's Report:** None
24. **Legislative Director's Report:** None
25. **Public Adviser's Report:** Public Adviser Elena Miller gave the report.
26. **Public Comment:** None.

Appearances:

Mr. Andrew Panson, California Air Resources Board
Mr. Richard Lyons, Cyber Tran International
Mr. Doug Wickizer, California Department of Forestry and Fire Prevention
Mr. John Shears, Center for Energy Efficiency & Renewable Technologies
Ms. Danielle Fugere, Friends of the Earth
Ms. Gina Grey, Western States Petroleum Association
Mr. Robert Gill, City of Riverside
Mr. Allan J. Thompson, Attorney at Law
Mr. Greg Wheatland, Ellison, Schneider & Harris LLP
Ms. Anne Runnalls, URS Corporation
Mr. John Lague, URS Corporation
Mr. Kent Larsen, Martifer Energy
Mr. Jim Swaney, San Joaquin County Air Quality Management District
Ms. LeiLani Johnson Kowal, Los Angeles Department of Water & Power
Mr. Norman Pedersen, Southern California Public Power Authority

Respectfully submitted,

HARRIET KALLEMEYN
Secretary to the Commission