

STATE OF CALIFORNIA  
California Energy Commission

Minutes of the July 29, 2009, Energy Commission Business Meeting.

The meeting was called to order by Chairman Karen Douglas. The Pledge of Allegiance was led by Chairman Douglas.

Present:

Karen Douglas, Chairman  
Arthur H. Rosenfeld, Commissioner  
Jeffrey D. Byron, Commissioner  
Julia A. Levin, Commissioner

*The Commission considered adding the following item the agenda:*

20. Possible approval of Contract 600-09-002 for \$721,388 with ICF Incorporated, LLC, to provide technical analysis support for the Alternative and Renewable Fuel and Vehicle Technology Program.

*Commissioner Byron moved and Commissioner Levin seconded adding Item 20 to the agenda. The vote was unanimous. (4-0)*

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. ENERGY PRO 5: NONRESIDENTIAL. Possible approval of Energy Pro 5 as a privately developed computer program for demonstrating compliance with the 2008 Nonresidential Building Energy Efficiency Standards. EnergyPro 5 updates EnergyPro 4.4, which the Energy Commission approved for showing compliance with the 2005 Nonresidential Building Energy Efficiency Standards. Contact: Bill Pennington.
  - b. GREEN TECH CONNECT FORUM. Possible approval of use of the Energy Commission's name and logo for no-cost co-sponsorship of the Green Tech Connect Forum being held August 3-4, 2009, in Pasadena. Contact: Mike Smith.

*At the request of Chairman Douglas, Item 1a. was moved to Discussion. Commissioner Rosenfeld moved and Commissioner Byron seconded approval of the remaining Consent Calendar item (1b.) The vote was unanimous. (4-0)*

*Following discussion, Commissioner Levin moved and Commissioner Rosenfeld seconded approval of Item 1a. The vote was unanimous. (4-0)*

2. WATSON COGENERATION STEAM AND ELECTRIC RELIABILITY PROJECT (09-AFC-01). Contact: Eric Knight. (10 minutes)

- a. Possible approval of the Executive Director's data adequacy recommendation for the Watson Cogeneration Steam and Electric Reliability Project, a nominal 85 megawatt proposed expansion of a steam and electrical generating (cogeneration) facility located in the City of Carson, Los Angeles County.

*Commissioner Byron moved and Commissioner Rosenfeld 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 Watson Cogeneration Steam and Electric Reliability Project.

*Chairman Douglas appointed herself as presiding member and Commissioner Levin as second member of the siting committee for the Watson Cogeneration project. Commissioner Byron moved and Commissioner Rosenfeld seconded approval of the appointments. The vote was unanimous. (4-0)*

3. MARIPOSA ENERGY PROJECT (09-AFC-03). Contact: Eric Knight. (10 minutes)

- a. Possible approval of the Executive Director's data adequacy recommendation for the Mariposa Energy Project, a nominal 200 megawatt simple-cycle generating facility to be located in northeastern Alameda County.

*Commissioner Byron moved and Commissioner Levin seconded approval of the Executive Director's recommendation that the AFC be found data inadequate at this time. The vote was unanimous. (4-0) Therefore, no action was taken on Item 3b.*

- b. Possible appointment of a siting committee for the Mariposa Energy Project.

4. STARWOOD POWER PROJECT (06-AFC-10C). Possible approval of Starwood Power-Midway LLC's amendment petition to change one of the two monitoring sites and the duration of the Noise Survey required by Condition of Certification NOISE-4. Contact: Chris Davis. (10 minutes)

*Commissioner Byron moved and Commissioner Rosenfeld seconded approval of the amendment petition for the Starwood project. The vote was unanimous. (4-0)*

5. AVENAL ENERGY PROJECT (08-AFC-1). Consideration of Intervenor Rob Simpson's appeal of the Avenal Siting Committee's denial of his request to stay the proceeding. Contact: Dick Ratliff. (15 minutes)

*Commissioner Levin moved and Commissioner Rosenfeld seconded denial of the appeal. The vote was unanimous. (4-0)*

6. CITY OF LOS ANGELES. Possible approval of a \$3 million loan to the City of Los Angeles to convert a portion of the city's residential street light fixtures from incandescent lamps to induction lamps. This project is estimated to save the city approximately 3 million kWh, or \$300,000 annually in reduced energy cost with a simple payback of approximately 10 years based on the loan amount. (ECAA funding.) Contact: Mike Smith. (5 minutes)

*Commissioner Levin moved and Commissioner Rosenfeld seconded approval of the loan to the City of Los Angeles. The vote was unanimous. (4-0)*

7. CITY OF CARLSBAD. Possible approval of a \$1,543,000 loan to the City of Carlsbad to convert the city's residential and commercial street light fixtures from High Pressure Sodium lamps to induction lamps. This project is estimated to save the city approximately 3 million kWh, or \$300,000 annually in reduced energy cost with a simple payback of less than 5 years based on the loan amount. The City of Carlsbad will use this loan request to match the City's Federal Energy Efficiency and Conservation Block Grant of \$938,900. (ECAA funding.) Contact: Mike Smith. (5 minutes)

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

8. NHTSA TIRE FUEL EFFICIENCY CONSUMER INFORMATION PROGRAM. Possible approval of delegation of authority to the Energy Commission's Transportation Committee to participate in the National Highway Transportation Safety Administration (NHTSA) proposed rulemaking for the Tire Fuel Efficiency Consumer Information Program. NHTSA is proposing a federal program similar to the Energy Commission's Fuel Efficient Tire Program under AB 844 (Chapter 645, Statutes of 2003). Staff recommends that the Energy Commission reserve the right to participate in the federal rulemaking and provide comments on the draft rules. Contact: Matt DalSanto. (10 minutes)

*Commissioner Levin moved and Commissioner Rosenfeld seconded approval of delegation of authority to the Transportation Committee to participate in the NHTSA rulemaking. The vote was unanimous. (4-0)*

9. LAWRENCE LIVERMORE NATIONAL LABORATORY. Possible approval of Contract 500-09-005 for \$400,000 with Lawrence Livermore National Laboratory to prepare a report on how the state can develop parameters to accelerate the adoption of cost-effective geologic carbon sequestration. As required by AB 1925, the report will recommend strategies for long-term management of industrial carbon dioxide. This agreement received fiscal approval consistent with the Governor's Executive Order S-09-09. (PIER electricity funding.) Contact: Linda Spiegel. (5 minutes)

*Commissioner Rosenfeld moved and Commissioner Byron seconded approval of Contract 500-09-005. The vote was unanimous. (4-0)*

10. U C RIVERSIDE CENTER FOR ENVIRONMENTAL RESEARCH AND TECHNOLOGY. Possible approval of Contract 500-09-008 for \$994,524 with UC Riverside Center for Environmental Research and Technology to develop and demonstrate a new technology and process that will produce transportation fuel from waste biomass. This interagency agreement is consistent with the Governor's Executive Order S-09-09. (PIER natural gas funding.) Contact: Ken Koyama. (5 minutes)

*Commissioner Rosenfeld moved and Commissioner Byron seconded approval of Contract 500-09-008. The vote was unanimous. (4-0)*

11. **MAKEL ENGINEERING.** Possible approval of Grant PIR-08-042 for \$300,000 to Makel Engineering to develop and demonstrate a market-ready generation system that produces low cost, high efficiency electricity from biogas. Makel Engineering will apply for \$1.7 million in ARRA funding using this project as match share. This contract received fiscal approval consistent with the Governor's Executive Order S-09-09. (PIER electricity funding.) Contact: Ken Koyama. (5 minutes)

*Commissioner Levin moved and Commissioner Rosenfeld seconded approval of Grant PIR-08-042. The vote was unanimous. (4-0)*

12. **NASA AMES RESEARCH CENTER.** Possible approval of Grant PIR-08-047 for \$793,576 to NASA Ames Research Center to advance and develop algae fuel technology. Ames Research Center will apply for \$25 million in ARRA funding using this project as match share. This contract received fiscal approval consistent with the Governor's Executive Order S-09-09. (PIER natural gas funding.) Contact: Ken Koyama. (5 minutes)

*Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Grant PIR-08-047. The vote was unanimous. (4-0)*

13. **SOLAZYME, INC.** Possible approval of Grant PIR-08-048 for \$789,697 to Solazyme, Inc. for a pilot project aimed at creating commercially viable algae-based biofuel from cellulosic feed stock. Solazyme will apply for \$25 million in ARRA funding using this project as match share. This contract received fiscal approval consistent with the Governor's Executive Order S-09-09. (PIER natural gas funding.) Contact: Ken Koyama. (5 minutes)

*Commissioner Byron moved and Commissioner Levin seconded approval of Grant PIR-08-048. The vote was unanimous. (4-0)*

14. **Minutes:** Approval of the July 15, 2009, Business Meeting Minutes.

*Commissioner Rosenfeld moved and Commissioner Levin seconded approval of the July 15 Minutes. The vote was unanimous. (4-0)*

15. **Commission Committee Presentations/Discussion:** None.

16. **Chief Counsel's Report:** At the request of Assistant Chief Counsel Arlene Ichien, the Commission, the Commission considered an Order of Adjournment to continue a closed session to discuss personnel matters as allowed by Government Code section 11126(a). The closed session begun today will be continued to August 5, 2009.

*Commissioner Rosenfeld moved and Commissioner Byron seconded adoption of the Order of Adjournment. The vote was unanimous. (4-0)*

17. **Executive Director's Report:** Executive Director Melissa Jones gave the report.

18. **Public Adviser's Report:** Associate Public Adviser Loreen McMahon gave the report.
19. **Public Comment:** Ms. Jane Luckhardt.
20. ICF INCORPORATED, LLC. Possible approval of Contract 600-09-002 for \$721,388 with ICF Incorporated, LLC, to provide technical analysis support for the Alternative and Renewable Fuel and Vehicle Technology Program. The work includes evaluation of four aspects of the alternative and renewable fuel industry: infrastructure and distribution development; investments; vehicle market assessments; and, existing sustainability certification programs. The Energy Commission will use these analyses to develop strategies to expand the growth of alternative and renewable fuel markets in California. This contract is consistent with the Governor's Executive Order S-09-09. (ARFVTF funding.) Contact: Mike Smith. (5 minutes)

*Commissioner Byron moved and Commissioner Rosenfeld seconded approval of Contract 600-09-002. The vote was unanimous. (4-0)*

**Appearances:**

Mr. Patrick Splitt, ApTech  
Mr. Ross Metersky, BP Alternative Energy  
Mr. Jeffrey Harris, Ellison, Schneider & Harris  
Mr. Richard Weiss, Starwood Energy Group  
Ms. Jane Luckhardt, Downey Brand Attorneys, LLP  
Mr. Joe Garuba, City of Carlsbad  
Mr. Matthew Frome, Solazyme, Inc.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Harriet Kallemeyn  
Secretary to the Commission