

STATE OF CALIFORNIA
California Energy Commission

Minutes of the August 12, 2009, Energy Commission Business Meeting.

The meeting was called to order at 10:07 by Chairman Karen Douglas. The Pledge of Allegiance was led by Chairman Douglas.

Present:

Karen Douglas, Chairman
James D. Boyd, Vice Chair*
Arthur H. Rosenfeld, Commissioner
Jeffrey D. Byron, Commissioner
Julia A. Levin, Commissioner

*Vice Chair Boyd having been delayed, the meeting began before his arrival.

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. IMPERIAL IRRIGATION DISTRICT. Possible approval of the Executive Director's recommendation that Imperial Irrigation District's contract with GreenHunter Mesquite Lake LLC's biomass plant be found compliant with the Emission Performance Standard for Local Publicly-Owned Electric Utilities pursuant to SB 1368 (California Code of Regulations, Title 20, Sections 2900-2913). Contact: Sylvia Bender.
 - b. UC IRVINE. Possible approval of no-cost Amendment 1 to Contract 500-08-034 with UC Irvine to correct the fringe benefits overhead rates of the agreement. The project is research to develop gas-fuel interchangeability criteria. The results will help combustion system operators, manufacturers and regulatory agencies predict the impacts of using differing fuel compositions (such as, liquefied natural gas, hydrogen, and gases from biomass, landfills and digesters) on combustion system operation. Contact: Marla Mueller.

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

2. CONTRA COSTA GENERATION STATION (09-AFC-4). Contact: Joseph Douglas. (10 minutes.)
 - a. Possible approval of the Executive Director's data adequacy recommendation for the Contra Costa Generation Station, a nominal 624-megawatt natural gas-fired, combined-cycle facility to be located in the city of Oakley in eastern Contra Costa County.

Commissioner Byron moved and Commissioner Rosenfeld 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 2b.

- b. Possible appointment of a siting committee for the Contra Costa project.
3. RAND CORPORATION. Possible approval of Amendment 2 to Contract 400-07-022 with RAND Corporation for a second no-cost time extension. The project seeks to demonstrate computer-assisted techniques that can more completely evaluate the effects of uncertainties on policy outcomes which may then lead to more robust and adaptive combinations of policies and to better cross-functional collaboration and communication. Contact: Ross Miller.

Commissioner Byron moved and Commissioner Rosenfeld seconded approval of Amendment 2 to Contract 400-07-022. The vote was unanimous. (4-0)

At this point Vice Chair Boyd arrived.

4. BRUCE WILCOX, P. E. Possible approval of Contract 400-09-001 for up to \$1,104,000 over three years with Bruce Wilcox, P. E. for architectural and engineering technical support to evaluate the cost effectiveness of solar electric systems and for development of the 2011 updates to the *2008 Residential Building Energy Efficiency Standards*. This work will develop both mandatory standards and voluntary standards at levels that are higher than the mandatory levels. This contract has received fiscal approval consistent with the Governor's Executive Order S-09-09. (ERPA funding.) Contact: Valerie Hall. (10 minutes)

Commissioner Levin moved and Commissioner Rosenfeld seconded approval of Contract 400-09-001. The vote was unanimous. (5-0)

5. ARCHITECTURAL ENERGY CORPORATION. Possible approval of Contract 400-09-002 for up to \$1,104,000 over three years with Architectural Energy Corporation to provide architectural and engineering technical support to evaluate the cost effectiveness of solar electric systems and for development of the 2011 updates to the *2008 Nonresidential Building Energy Efficiency Standards*. This work will develop both mandatory standards and voluntary standards at levels that are higher than the mandatory standards. This contract has received fiscal approval consistent with the Governor's Executive Order S-09-09. (ERPA funding.) Contact: Valerie Hall. (10 minutes)

Commissioner Rosenfeld moved and Commissioner Levin seconded approval of Contract 400-09-002. The vote was unanimous. (5-0)

6. LAWRENCE BERKELEY NATIONAL LABORATORY. Possible approval of Grant PIR-08-014 to Lawrence Berkeley National Laboratory (LBNL) for \$172,000 to analyze the effects of different types of filters on the energy efficiency of residential heating and air conditioning systems. LBNL will apply for \$600,000 in ARRA funding using this project as match share. This project has received fiscal approval consistent with Governor's Executive Order S-09-09. (PIER electricity funding.) Contact: Chris Scruton. (5 minutes)

Commissioner Rosenfeld moved and Commissioner Levin seconded approval of Grant PIR-08-014. The vote was unanimous. (5-0)

7. MENON & ASSOCIATES. Possible approval of Grant PIR-08-049 for \$800,000 for a pilot project demonstrating local production of biodiesel from cellulosic biomass

feedstock. Menon and Associates will apply for \$25 million in ARRA funding using this project as match share. This agreement received fiscal approval consistent with Governor's Executive Order S-09-09. (PIER natural gas funding.) Contact: Ken Koyama. (5 minutes)

Vice Chair Boyd moved and Commissioner Rosenfeld seconded approval of Grant PIR-08-049. The vote was unanimous. (5-0)

8. VOLVO TECHNOLOGY OF AMERICA, INC. Possible approval of Grant PIR-08-046 for \$999,970 to advance new heavy-duty natural gas engine concepts by further developing High Pressure Direct Injection technology into Volvo's 13 liter heavy-duty engine to meet or exceed California Air Resources Board regulations. This agreement received fiscal approval consistent with Governor's Executive Order S-09-09. (PIER natural gas funding.) Contact: Ken Koyama. (5 minutes)

Vice Chair Boyd moved and Commissioner Byron seconded approval of Grant PIR-08-046. The vote was unanimous. (5-0)

9. TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY – SAN DIEGO. Possible approval of Amendment 6 to Contract 500-98-014 with the Trustees of California State University-San Diego, adding 3 years of contract performance and up to \$13.75 million to continue administration of the Energy Innovations Small Grant Program. The program provides funding opportunities to small businesses, non-profits, individuals and academic institutions to conduct research that establishes the feasibility of new, innovative energy concepts. This contract is consistent with Governor's Executive Order S-09-09. (PIER electricity and natural gas funding.) Contact: Mike Gravely. (10 minutes)

Commissioner Byron moved and Vice Chair Boyd seconded approval of Amendment 6 to Contract 500-98-014. The vote was unanimous. (5-0)

10. EMPLOYMENT DEVELOPMENT DEPARTMENT. Possible approval of Contract 180-09-01 for \$15 million with Employment Development Department to conduct a solicitation for regional workforce development partnerships under the Clean Energy Workforce Training Program. The partnerships will provide training, assessment, and job placement for underemployed, unemployed and new workers. This contract is consistent with Governor's Executive Order S-09-09 (ARRA funding.) Contact: Panama Bartholomy. (10 minutes)

Vice Chair Boyd moved and Commissioner Byron seconded approval of Contract 180-09-01. The vote was unanimous. (5-0)

11. **Informational Item:** American Recovery and Reinvestment Act - Status Report. Two State Energy Program components are ready to begin operation:

Department of General Services Revolving Loan Program - Chapter 11, Statutes of 2009 established the Energy Efficiency State Property Revolving Loan Program to be administered by the Department of General Services (DGS). The legislation also authorizes the transfer of \$25 million in ARRA funds into the new loan fund. DGS will

provide low interest loans to state buildings for energy efficient retrofits. The loans will be paid back through utility energy savings.

Energy Conservation Assistance Account Loan Program - The Energy Commission is allocating up to \$25 million in ARRA funds for low interest, energy efficiency loans to local jurisdictions. Loans shall be paid back through utility energy savings.

Mark Hutchison of the Executive Office gave the status report.

12. **Minutes:** Approval of the July 29, 2009, Business Meeting Minutes.

Commissioner Rosenfeld moved and Commissioner Levin seconded approval of the Minutes. The vote was 4-0-1. Vice Chair Boyd abstained.

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

14. **Chief Counsel's Report:** None.

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

16. **Public Adviser's Report:** Public Adviser Elena Miller gave the report and announced her resignation effective August 31.

17. **Public Comment:** None.

Executive Director Melissa Jones presented Superior and Sustained Accomplishment Awards to several Energy Commission employees: Sharon Jane Matthews, Steve Bonta and Tony Woo from Information Technology Services; Bill Staack and Allan Ward from the Office of the Chief Counsel; and, Norm Bourassa, Beth Chambers, Reta Ortiz, Chris Scruton, and Linda Spiegel from the Energy Research and Development Division.

There being no further business, the meeting was adjourned, to reconvene at 3:00 in a closed session on personnel matters pursuant to Government Code, Section 11126(a).

Respectfully submitted,

HARRIET KALLEMEYN
Secretary to the Commission