

STATE OF CALIFORNIA
California Energy Commission

Minutes of the December 1, 2010, Energy Commission Business Meeting.

The meeting was called to order at 10:05 a.m. by Chairman Karen Douglas. The Pledge of Allegiance was lead by Chairman Douglas.

Present:

Karen Douglas, Chairman
James D. Boyd, Vice Chair
Jeffrey D. Byron, 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. CITY OF CARLSBAD. Possible approval of amendment 1 to Loan Agreement 004-09-ECE-ARRA for a six-month no-cost time extension to allow the City of Carlsbad to complete its street light conversion project. Delays in delivery of fixtures made it impossible to complete installation by the existing agreement date. Contact: Adel Suleiman.
 - b. LOS ANGELES COMMUNITY COLLEGE DISTRICT. Possible approval of Amendment 1 to Agreement PIR-08-031 to modify the scope of work to change the campus building that will be fitted with photovoltaic and solar arrays, hot water storage tanks, and related equipment. The original building selected was determined to be seismically inadequate to support the retrofit. Contact: Pablo Gutierrez.
 - c. INTER-CON SECURITY SYSTEMS. Possible approval of Amendment 5 for a no-cost time extension to Contract 200-07-004 with Inter-Con Security Systems under the Master Service Agreement with the California Highway Patrol. Contact: Emily Oren.
 - d. LIFE CYCLE ASSOCIATES. Possible approval of Amendment 1 for a no-cost time extension to Contract 600-07-009 with Life Cycle Associates. The term end date will be extended from March 3, 2011 to September 2, 2011. Contact: Miles Roberts.

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

2. UNIVERSITY OF CALIFORNIA, DAVIS. Possible approval of Contract 500-10-028 for \$1,995,032 with the Regents of the University of California, Davis, to develop and demonstrate whole building retrofit solutions for multi-tenant light commercial buildings. The project goal is to increase energy efficiency, reduce peak electricity demand, and decrease greenhouse gas emissions. (PIER electricity funding.) Contact: Golam Kibrya. (5 minutes)

Commissioner Byron moved and Vice Chair Boyd seconded approval of Contract 500-10-028. The vote was unanimous. (3-0)

3. FEDERSPIEL CONTROLS. Possible approval of Agreement PIR-10-052 for a grant of \$250,000 to Federspiel Controls to demonstrate and field test energy efficient cooling control technologies at multiple State of California data centers. This funding will qualify as cost share to the \$548,078 grant that Federspiel Controls received under the American Recovery and Reinvestment Act of 2009. (PIER electricity funding.) Contact: Kiel Pratt. (5 minutes)

Vice Chair Boyd moved and Commissioner Byron seconded approval of Contract 500-10-028. The vote was unanimous. (3-0)

4. PORTLAND ENERGY CONSERVATION, INC. Possible approval of Agreement PIR-10-051 for a grant of \$120,000 to Portland Energy Conservation, Inc. to develop an educational curriculum for building commissioning. This funding will qualify as cost share to the \$749,153 grant that Portland Energy Conservation, Inc. received under the American Recovery and Reinvestment Act of 2009. (PIER electricity funding.) Contact: Joseph Fleshman. (5 minutes)

Commissioner Byron moved and Vice Chair Boyd seconded approval of Agreement PIR-10-051. The vote was unanimous. (3-0)

5. U.S. GEOLOGICAL SURVEY. Possible approval of Contract 500-10-027 for \$223,755 with the U.S. Geological Survey to provide new and enhanced habitat suitability models for predicting the potential distribution and habitat of the Mohave ground squirrel. The Mohave ground squirrel is state-listed as threatened. (PIER electricity funding.) Contact: Misa Milliron. (5 minutes)

Commissioner Byron moved and Vice Chair Boyd seconded approval of Contract 500-10-027. The vote was unanimous. (3-0)

6. UTILITY SAVINGS AND REFUND, LLC. Possible approval of Agreement PIR-10-023 for a competitive grant of \$400,000 to Utility Savings and Refund, LLC to demonstrate the integration of battery storage and fuel cell power generation. The project, fueled by digester gas, will be demonstrated at the Dublin/San Ramon Services District's Regional Wastewater Treatment Facility in Pleasanton, California. (PIER electricity funding.) Contact: Paul Roggensack. (5 minutes)

Commissioner Byron moved and Vice Chair Boyd seconded approval of Agreement PIR-10-023. The vote was unanimous. (3-0)

7. G4 INSIGHTS. Possible approval of Agreement ARV-10-023 for a grant of \$1,229,966 to G4 Insights, Inc. to demonstrate a forest waste biomass to methane fuel conversion process in Placer County. (ARFVTF funding.) Contact: Bill Kinney. (5 minutes)

Vice Chair Boyd moved and Commissioner Bryon seconded approval of Agreement ARV-10-023. The vote was unanimous. (3-0)

8. MENDOTA BIOENERGY LLC. Possible approval of Agreement ARV-10-028, for a grant of \$1,499,000 to Mendota Bioenergy LLC to conduct lab tests, pilot tests, and feasibility studies for an advanced bioenergy center in Mendota. The facility will convert sugar beets and agricultural waste into ethanol, compressed natural gas, green electricity, and other co-products. (ARFVTF funding.) Contact: Bill Kinney. (5 minutes)

Vice Chair Boyd moved and Commissioner Byron seconded approval of Agreement ARV-10-028. The vote was unanimous. (3-0)

9. CLEAN WORLD PARTNERS, LLC. Possible approval of Agreement ARV-10-026 for a grant of \$1,315,800 to Clean World Partners, LLC to conduct technical and economic feasibility studies for a proposed biorefinery that will convert food and green waste into compressed natural gas. (ARFVTF funding.) Contact: Rhetta deMesa. (5 minutes)

Vice Chair Boyd moved and Commissioner Byron seconded approval of Agreement ARV-10-026. The vote was unanimous. (3-0)

10. WRIGHTSPEED, INC. Possible approval of Agreement ARV-10-025 for a grant of \$1,197,064 to Wrightspeed, Inc. to verify the manufacturing, testing, and installation of a range-extended electric vehicle drive system for medium- and heavy-duty trucks. (ARFVTF funding.) Contact: Mike Trujillo. (5 minutes)

Vice Chair Boyd moved and Commissioner Byron seconded approval of Agreement ARV-10-025. The vote was unanimous. (3-0)

11. BIODIESEL INDUSTRIES. Possible approval of Agreement ARV-10-024 for a grant of \$886,815 to Biodiesel Industries, to conduct pilot studies on the feasibility of an integrated biorefinery. The biorefinery will use algae and various waste streams for a future biodiesel production facility. (ARFVTF funding.) Contact: Joanne Vinton. (5 minutes)

Vice Chair Boyd moved and Commissioner Byron seconded approval of Agreement ARV-10-024. The vote was unanimous. (3-0)

12. CAL POLY STATE UNIVERSITY, SAN LUIS OBISPO. Possible approval of Agreement ARV-10-027 for a grant of \$250,000 to Cal Poly State University, San Luis Obispo to conduct and assess pilot-scale production of low-cost, oil-rich algae biofuel feedstock using wastewater nutrients. (ARFVTF funding.) Contact: Joanne Vinton. (5 minutes)

Vice Chair Boyd moved and Commissioner Byron seconded approval of Agreement ARV-10-027. The vote was unanimous. (3-0)

13. PACIFIC ETHANOL MADERA, LLC. Possible approval of Agreement ARV-10-029, for a zero cost Participant Agreement with Pacific Ethanol Madera, LLC to establish the program requirements for participation in the California Ethanol Producer Incentive Program (CEPIP). The program requirements will include the participant's eligibility for CEPIP payments from and reimbursements to the California Alternative Energy and Advanced Transportation Finance Authority (CAETFA). Contact: Larry Rillera. (5 minutes)

Vice Chair Boyd moved and Commissioner Byron seconded approval of Agreement ARV-10-029. The vote was unanimous. (3-0)

14. PACIFIC ETHANOL STOCKTON, LLC. Possible approval of Agreement ARV-10-030, for a zero cost Participant Agreement with Pacific Ethanol Stockton, LLC, to establish the

program requirements for participation in the California Ethanol Producer Incentive Program (CEPIP). The program requirements include the participant's eligibility for CEPIP payments from and reimbursements to the California Alternative Energy and Advanced Transportation Finance Authority. Contact: Larry Rillera. (5 minutes)

Vice Chair Boyd moved and Commissioner Byron seconded approval of Agreement ARV-10-030. The vote was unanimous. (3-0)

15. COUNTY OF SANTA CLARA. Possible approval of the County of Santa Clara's locally adopted energy standards for residential and nonresidential newly constructed buildings and additions, and alterations to existing buildings, to require greater energy efficiency than the *2008 Building Energy Efficiency Standards*. Contact: Joe Loyer. (5 minutes)

Item 15 was moved to the December 15, 2010, agenda.

16. TOWN OF SAN ANSELMO. Possible approval of the Town of San Anselmo's locally adopted energy standards for residential and nonresidential newly constructed buildings and additions, and alterations to existing buildings, to require greater energy efficiency than the *2008 Building Energy Efficiency Standards*. Contact: Joe Loyer. (5 minutes)

Commissioner Byron moved and Vice Chair Boyd seconded approval of the Town of Anselmo's locally adopted energy standards. The vote was unanimous. (3-0)

17. RENEWABLE ENERGY PROGRAM ANNUAL REPORT TO THE LEGISLATURE. Possible approval of the *Renewable Energy Program 2010 Annual Report to the Legislature* and associated *Appendix*. The *2010 Annual Report* summarizes the results of the Renewable Energy Program's activities and status of funding for the period July 1, 2009 through June 30, 2010. The *2010 Appendix* contains detailed project descriptions, statistics, and financial data. Contact: Madeleine Meade. (5 minutes)

Vice Chair Boyd moved and Commissioner Byron seconded approval of the Annual Report. The vote was unanimous. (3-0)

18. RENEWABLES PORTFOLIO STANDARD ELIGIBILITY GUIDEBOOK, FOURTH EDITION. Possible approval of the *Renewables Portfolio Standard Eligibility Guidebook, Fourth Edition*. This guidebook implements the energy Commission's responsibilities under the state's Renewables Portfolio Standard (RPS). These responsibilities include certifying RPS-eligible facilities and verifying procurement for RPS compliance. Contact: Kate Zocchetti. (5 minutes)

Item 18 was moved to the December 15, 2010, agenda.

19. OVERALL PROGRAM GUIDEBOOK FOR THE RENEWABLE ENERGY PROGRAM. Possible approval of the *Overall Program Guidebook for the Renewable Energy Program, Third Edition*. This guidebook governs the Renewable Energy Program and its various program elements to assist interested applicants in applying for program funds and Renewables Portfolio Standard (RPS) certification, and to assist in verifying RPS compliance. Contact: Kate Zocchetti. (5 minutes)

Item 19 was moved to the December 15, 2010, agenda.

20. POWER PLANT SITING LESSONS LEARNED (DOCKET 10-SIT-OII). Possible adoption of an Order Instituting Informational (OII) proceeding to examine the lessons learned in the review of both the American Recovery and Reinvestment Act (ARRA) solar projects and the natural gas-fired power plants reviewed by the Siting, Transmission and Environmental Protection Division during 2009 and 2010. Contact: Mike Monasmith. (20 minutes)

Commissioner Byron moved and Vice Chair Boyd seconded adoption of the Order. The vote was unanimous. (3-0)

21. BLYTHE ENERGY PROJECT PHASE II (02-AFC-1C). Possible approval of a petition to extend the deadline for commencement of construction from December 14, 2010, to December 14, 2011. Contact: Christina Snow. (20 minutes)

Vice Chair Boyd moved and Commissioner Byron seconded approval of the petition. The vote was unanimous. (3-0)

22. CALICO SOLAR PROJECT (Docket No. 08-AFC-13). Possible approval of a Petition for Reconsideration or the Energy Commission's own motion for reconsideration, or both, asking the Energy Commission to reconsider the effective date of its decision of October 28, 2010 to coincide with the date of re-filing of the Notice of Decision. Contact: Michael Levy. (20 minutes)

Vice Chair Boyd moved that the Commission, on its own motion, order reconsideration to consider the adoption date to be December 1. Vice Chair Boyd amended the motion to also treat CURE's letter as a petition for reconsideration. Commissioner Byron seconded the motion as amended. The vote was unanimous. (3-0)

23. CALICO SOLAR PROJECT (Docket No. 08-AFC-13). Possible approval of an order amending the effective date of the Commission's decision of October 28, 2010 to coincide with the date of re-filing of the Notice of Decision and termination of the temporary stay. This item is contingent on approval of the petition for reconsideration of the effective date or the Commission's motion for reconsideration of the effective date, or both. Contact: Michael Levy. (20 minutes)

Commissioner Byron moved and Vice Chair Boyd seconded approval of Item 23. The vote was unanimous. (3-0)

24. CPV SENTINEL ENERGY PROJECT (DOCKET 07-AFC-3). Possible adoption of the Presiding Member's Proposed Decision on the CPV Sentinel Energy Project, and Errata. CPV Sentinel is a nominal 850 megawatt simple-cycle (peaking) power plant facility located within unincorporated Riverside County, adjacent to the northern city limits of Palm Springs. Contact: Ken Celli. (45 minutes)

Vice Chair Boyd moved and Commissioner Byron seconded adoption of the Proposed Decision. The vote was unanimous. (3-0)

25. **Minutes:**

- a. Possible approval of November 3, 2010, Business Meeting Minutes.

No action was taken on Item 1a.

- b. Possible approval of November 8, 2010, Business Meeting Minutes.

Commissioner Byron moved and Vice Chair Boyd seconded approval of the November 8 Minutes. The vote was unanimous. (3-0)

- 26. **Commission Committee Presentations and Discussion:** None.
- 27. **Chief Counsel's Report:** None.
- 28. **Executive Director's Report:** None.
- 29. **Public Adviser's Report:** Public Adviser Jennifer Jennings gave the report.
- 30. **Public Comment:** None.
- 31. **Internal Organization and Policy.** None.

Appearances:

Mr. Edison Ng, G4 Insights (by telephone)
Mr. Jim Tischer, Mendota Advanced Bioenergy Cooperative
Mr. Greg Hayes, Clean World Partners
Mr. Ian Wright, Wrightspeed, Inc.
Mr. Tom Koehler, Pacific Ethanol
Mr. Russell Teall, Biodiesel Industries
Mr. Will Mitchell, CRV
Mr. David Wiseman
Mr. Robert Looper, Caithness Blythe II, LLC
Mr. Travis Ritchie, Sierra Club (by telephone)
Ms. Lauren Nevitt, South Coast Air Quality Management District (by telephone)
Ms. Angela Johnson-Meszaros, California Communities Against Toxics
Mr. Jason Holder, California Unions for Reliable Energy
Mr. Dale Evenson, Riverside County Fire Department
Mr. Mike Carroll, Latham & Watkins, LLP
Mr. John Foster, CPV Sentinel, LLC
Mr. Mohsen Nazemi, South Coast Air Quality Management District (by telephone)
Ms. Barbara Baird, South Coast Air Quality Management District

There being no further business, the meeting was adjourned at 1:20 p.m.

Respectfully submitted,

HARRIET KALLEMEYN
Secretary to the Commission