

STATE OF CALIFORNIA
California Energy Commission:

Minutes of the April 20, 2011 Energy Commission Business Meeting.

The meeting was called to order at 10:02 by Chair Robert Weisenmiller. The Pledge of Allegiance was lead by Chair Weisenmiller.

Present: James D. Boyd, Vice Chair
Robert B. Weisenmiller, Chair Carla J. Peterman, Commissioner

Executive Director Melissa Jones presented a resolution from the Legislature to Dr. Thom Kelly in recognition of his many years of distinguished service to the Energy Commission and the State of California.

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. TETRA TECH, INC. Possible approval of Amendment 3 to Contract 600-09-003 with Tetra Tech, Inc., to extend the term from June 30, 2011 to March 31, 2013 and amend the Terms and Conditions to require that subcontract agreements include conflict-of-interest provisions. There is no change to the total cost of the contract. Contact: Jim McKinney.
 - b. UTILITY ENERGY FORUM. Possible approval of Contract 500-10-042 for \$10,000 to co-sponsor the Utility Energy Forum. The Forum provides an opportunity for the Energy Commission to share information on research results, emerging energy efficiency technologies and best practices in energy efficiency design and management with utilities, vendors and others. (PIER electricity funding.) Contact: Beth Chambers.

Vice Chair Boyd moved and Commissioner Peterman seconded approval of the Consent Calendar. The vote was unanimous. (3-00)

2. ENERGY COMMISSION COMMITTEE APPOINTMENTS. Possible approval of the appointment of James D. Boyd, Presiding Member and Carla Peterman, Associate Member of the Energy Commission's Transportation Committee. Contact: Kevin Barker. (5 minutes).

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

3. PIO PICO ENERGY CENTER (11-AFC-1). Contact: Eric Solorio. (10 minutes)
 - a. Possible adoption of the Executive Director's data adequacy recommendation for the Pio Pico Energy Center. The project is a 300 megawatt simple-cycle generation facility that would use three natural gas-fired combustion turbine

generators. The project would be located on 10 acres of disturbed land in an unincorporated area of southwestern San Diego County known as Otay Mesa.

Vice Chair Boyd moved and Commissioner Peterman seconded approval of the Executive Director's recommendation that the Pio Pico project be found data adequate. The vote was unanimous. (3-0)

- b. Possible appointment of a siting committee for the Pio Pico project.

Chair Weisenmiller named Commissioner Peterman presiding member and Commissioner Douglas second member of the siting committee for the Pio Pico project. Vice Chair Boyd moved and Commissioner Peterman seconded approval of the appointments. The vote was unanimous. (3-0)

4. UNITED STATES FOREST SERVICE. Possible approval of Contract 600-10-006 for \$1.5 million with the United States Forest Service – Pacific Southwest Research Station to investigate the sustainability of forest biomass for renewable biofuels. This research project will collect and analyze critical field data, and develop field case studies to determine where, when and how woody biomass is sustainable. (ARFVT funding.) Contact: Bill Kinney. (5 minutes)

Item 4 was moved to a later agenda.

5. NORTHSTATE RENDERING CO., INC. Possible approval of Agreement ARV-10-040 with Northstate Rendering Co., Inc., for \$3,956,150 under PON-09-003, and an additional \$1,500,000 under PON-09-604, for a combined total of \$5,456,150 to produce biogas from byproducts of the rendering process for use as compressed natural gas for use in Recipient's fleet of vehicles, and to provide the energy to compress the gas as well as power the facility. (ARFVT funding.) Contact: Rhetta deMesa. (5 minutes)

Vice Chair Boyd moved and Commissioner Peterman seconded approval of Agreement ARV-10-040 and a finding that the project is categorically exempt from further environmental review. The vote was unanimous. (3-0)

6. SACRAMENTO MUNICIPAL UTILITY DISTRICT. Possible approval of Agreement ARV-10-041 for a grant of \$100,000 to Sacramento Municipal Utility District to conduct a demonstration test of the Chrysler Ram 1500, a plug-in hybrid electric vehicle pickup, under real-world conditions; and, install electric vehicle charging infrastructure in the Sacramento area. (ARFVTF funding.) Contact: Linda Schrupp. (5 minutes)

Vice Chair Boyd moved and Commissioner Peterman seconded approval of Agreement ARV-10-041 and a finding that the project is categorically exempt from further environmental review. The vote was unanimous. (3-0)

7. BORDER VALLEY TRADING COMPANY. Possible approval of Agreement ARV-10-042 for a grant of \$500,000 to Border Valley Trading Company to construct a liquefied natural gas refueling station along the I-10 corridor in the City of Palm Springs. (ARFVTF funding.) Contact: Donald Coe. (5 minutes)

Vice Chair Boyd moved and Commissioner Peterman seconded approval of Agreement ARV-10-042 and a finding that the project, as mitigated, has no significant environmental impacts, and that the mitigation measures are within the jurisdiction of the lead agency. The vote was unanimous. (3-0)

8. AGRICULTURAL WASTE SOLUTIONS, INC. Possible approval of Agreement ARV-10-043 for a grant of \$658,220 to Agricultural Waste Solutions, Inc., to assemble and operate a skid-mounted, modular pilot demonstration plant at an existing dairy farm to convert dairy waste into renewable diesel for use on the farm. (ARFVTF funding.) Contact: Bill Kinney. (5 minutes)

Vice Chair Boyd moved and Commissioner Peterman seconded approval of Agreement ARV-10-043 and a finding that the project is categorically exempt from further environmental review. The vote was unanimous. (3-0)

9. ELECTRIC VEHICLES INTERNATIONAL (EVI). Possible approval of Amendment 1 to grant Agreement ARV-09-017 to add \$1,416,314. These funds will supplement the existing Electric Vehicles International (EVI) agreement for \$1,153,053 to design, develop and deploy a range-extended electric vehicle for medium-duty truck applications. EVI proposes to use Valence lithium-phosphate batteries for a 100-115 mile range. EVI will integrate the new powertrain into an industry-standard medium-duty truck and will deploy prototypes for onsite testing with partners. (ARFVTF funding.) Contact: Jonah Margolis. (5 minutes)

Vice Chair Boyd moved and Commissioner Peterman seconded approval of Amendment 1 to Agreement ARV-09-017 and a finding that the project is categorically exempt from further environmental review. The vote was unanimous. (3-0)

10. CLIPPER CREEK, INC. Possible approval of Amendment 1 to grant Agreement ARV-10-001 to add \$400,000 to develop the interface to provide metering data and load management control from electric vehicle supply equipment (EVSE) to the utilities' smart grid. These funds will supplement the existing Clipper Creek agreement for \$1,900,000 to upgrade existing EVSE in California to the SAE-J1772 standard. (ARFVT funding.) Contact: Leslie Baroody. (5 minutes)

Vice Chair Boyd moved and Commissioner Peterman seconded approval of Agreement ARV-10-001 and a finding that the project is categorically exempt from further environmental review. The vote was unanimous. (3-0)

11. GLADSTEIN, NEANDROSS & ASSOCIATES, LLC. Possible approval of Contract 600-10-009 for \$50,000 with Gladstein, Neandross & Associates, LLC to co-sponsor the Alternative Clean Transportation Expo in Long Beach, California, May 4-6, 2011. (ARFVT funding.) Contact: Peter Ward. (5 minutes)

Vice Chair Boyd moved and Commissioner Peterman seconded approval of Contract 600-10-009. The vote was unanimous. (3-0)

12. RC CONSULTING. Possible approval of Purchase Order 10-409.00-08 for \$90,000 with RC Consulting to provide consultation and training to develop in-house expertise in analyzing and extracting vehicle data from California Department of Motor Vehicles (DMV) databases. DMV data is used to develop the Energy Commission's transportation energy demand forecasts and track progress in meeting the state's petroleum reduction

goals and reducing greenhouse gas emissions. (ERPA funding.) Contact: Ryan Eggers. (5 minutes)

Vice Chair Boyd moved and Commissioner Peterman seconded approval of Purchase Order 10-409.00-08. The vote was unanimous. (3-0)

13. COMPREHENSIVE HOUSING SERVICES, INC. Possible approval of Contract 200-10-007 for \$300,000 with Comprehensive Housing Services, Inc. to provide technical and administrative assistance to Energy Commission staff and to recipients of American Recovery and Reinvestment Act (ARRA) funding, such as Energy Efficiency Block Grants, State Energy Program contracts and ARRA loans in the wage rate determination process. (ARRA and/or ERPA funding.) Contact: Michelle Tessier. (5 minutes)

Commissioner Peterman moved and Vice Chair Boyd seconded approval of Contract 200-10-007. The vote was unanimous. (3-0)

14. TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY, SAN DIEGO. Possible approval of Amendment 7 to Contract 500-98-014 with the Trustees of California State University, San Diego, to add \$1,750,000 in natural gas research funds to continue the Energy Innovations Small Grant (EISG) program. (PIER natural gas funding.) Contact: Patrick McCarthy. (5 minutes)

Vice Chair Boyd moved and Commissioner Peterman seconded approval of Amendment 7 to Contract 500-98-014. The vote was unanimous. (3-0)

15. STONE & WEBSTER, INC. Possible approval of Contract 500-10-037 for \$1,053,200 with Stone & Webster, Inc., to evaluate the technical design considerations and ability to capture carbon dioxide from natural gas combined-cycle power plants. The project will estimate the costs and performance impacts associated with capture and storage of the plant's carbon dioxide emissions. (PIER-Federal funding.) Contact: Cheryl Closson. (5 minutes)

Vice Chair Boyd moved and Commissioner Peterman seconded approval of Contract 500-10-037. The vote was unanimous. (3-0)

16. TERRALOG TECHNOLOGIES USA, INC. Possible approval of Agreement PIR-10-062 for a match cost-share grant of \$500,000.00 to Terralog Technologies USA, Inc., (Terralog) to characterize the Wilmington Graben for large-scale carbon dioxide geologic storage. Terralog received an American Recovery and Reinvestment Act of 2009 award grant for \$9,819,813 for this project and is providing \$1,954,953 in match funds, for a total project budget of \$12, 274,766. (PIER electricity funding.) Contact: Cheryl Closson. (5 minutes)

Vice Chair Boyd moved and Commissioner Peterman seconded approval of Agreement PIR-10-062. The vote was unanimous. (3-0)

17. UNIVERSITY OF CALIFORNIA, RIVERSIDE. Possible approval of Contract 500-10-038 for \$680,000 with the Regents of the University of California, Riverside to develop an improved method to measure particulate matter emissions from natural gas power plants. (PIER natural gas funding.) Contact: Marla Mueller. (5 minutes)

Vice Chair Boyd moved and Commissioner Peterman seconded approval of Contract 500-10-038. The vote was unanimous. (3-0)

18. UNIVERSITY OF CALIFORNIA, BERKELEY. Possible approval of Agreement FED-10-001 for a grant of \$122,000 with the Regents of the University of California, Berkeley, to advance the state of knowledge and conduct directed outreach and combined heat and power (CHP) field performance and implementation assessment activities related to further deployment of CHP in California. (DOE funding.) Contact: Bryan Neff. (5 minutes)

Item 18 was moved to a later agenda.

19. CALPINE CORPORATION. Possible approval of Agreement PIR-10-060 for a grant of \$410,000 to Calpine Corporation to develop a reservoir model and reopen three wells in the Caldwell Ranch area of the northwest Geysers to characterize geothermal reservoir capacity and explore redeveloping the area. (PIER electricity funding.) Contact: John Hingtgen. (5 minutes)

Vice Chair Boyd moved and Commissioner Peterman seconded approval of Agreement PIR-10-060 and a finding that the project will not cause significant environmental impact. The vote was unanimous. (3-0)

20. UNIVERSITY OF CALIFORNIA, BERKELEY. Possible approval of Contract 500-10-035 for \$82,510 with the Regents of the University of California, Berkeley, to study the relationship between fog, winter chill hours, and energy demand for heating in the Central Valley region. (DOE funding.) Contact: Sarah Pittiglio. (5 minutes)

Item 20 was moved to a later agenda.

21. SACRAMENTO MUNICIPAL UTILITY DISTRICT. Possible approval of Agreement PIR-10-034 for a \$1 million grant to Sacramento Municipal Utility District to deploy advanced smart grid technologies throughout the Sacramento region. This award will be cost-share for the recipient's American Recovery and Reinvestment Act of 2009 award. (PIER electricity funding.) Contact: Avtar Bining. (5 minutes)

Vice Chair Boyd moved and Commissioner Peterman seconded approval of Agreement PIR-10-034. The vote was unanimous. (3-0)

22. CITY OF GLENDALE. Possible approval of Agreement PIR-10-069 for a \$1 million grant to the City of Glendale to install and operate a new advanced metering infrastructure/meter data management system for moving Glendale Water and Power to a smart grid for the benefit of its customers and to modernize its electric grid. This award will be cost share for the City's American Recovery and Reinvestment Act of 2009 award. (PIER electricity funding.) Contact: Avtar Bining. (5 minutes)

Commissioner Peterman moved and Vice Chair Boyd seconded approval of Agreement PIR-10-069. The vote was unanimous. (3-0)

23. **Minutes:**
a. Possible approval of the March 30, 2011, Business Meeting Minutes.

No action was taken on Item 23a.

- b. Possible approval of the April 6, 2011, Business Meeting Minutes.

Commissioner Peterman moved and Vice Chair Boyd seconded approval of the April 6 Minutes. The vote was unanimous. (3-0)

24. Commission Committee Presentations and Discussion:

Vice Chair Boyd reported on his recent testimony before the United States Senate Environment and Public Works Committee, representing the Energy Commission.

Chair Weisenmiller reported that Commissioner Douglas is at the Informational Hearing and site visit for the Calico Solar Power Project today. He also noted that Commissioner Douglas attended the bill signing for SBX12, which increases the RPS target to 33 percent by 2020.

- 25. **Chief Counsel's Report:** Chief Counsel Michael Levy requested a closed session to determine whether facts and circumstances exist that constitute a significant exposure to litigation against the Commission.
- 26. **Executive Director's Report:** Executive Director Melissa Jones introduced Robert Oglesby, the Energy Commission's new Chief Deputy Director.
- 27. **Public Adviser's Report:** The Public Adviser may report on upcoming events.
- 28. **Public Comment:** None.
- 29. **Internal Organization and Policy.** None.

Appearances:

Mr. David Jenkins, Apex Power Group, LLC

Ms. Melissa Foster, Stoell Rives, LLP

Mr. Bryan Gannon, Northstate Rendering

Mr. Jeffrey Harris, Calpine

Mr. Kevin Hudson, Sacramento Municipal Utilities District

Mr. Craig R. Kuennen, Glendale Water and Power

There being no further business, the meeting was adjourned to closed session.

Respectfully submitted,

HARRIET KALLEMEYN
Secretary to the Commission