

STATE OF CALIFORNIA
California Energy Commission
Minutes of the April 11, 2012, Energy Commission Business Meeting

Present:

Robert B. Weisenmiller, Chair
Karen Douglas, Commissioner

Carla J. Peterman, 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. VENTYX. Possible approval of Purchase Order 11-435.01-025 for \$72,161 to renew the Energy Commission's subscription to the Ventyx Velocity Suite through March 2013. Electricity Analysis Office staff use the Energy Velocity data service to analyze energy system operations and market trends, respond to energy-related inquiries and develop model inputs regarding various aspects of the electricity systems throughout the Western grid. (ERPA Funding.) Contact: Christopher McLean
 - b. WEST PUBLISHING CORPORATION. Possible approval of Amendment 1 to Contract 140-11-001 with West Publishing Corporation, dba West, a Thomson Reuters business to add \$61,245 for fiscal year 2012/13. This contract provides Westlaw electronic legal research services for the Energy Commission legal staff. (ERPA funding.) Contact: Liz Flores.
 - c. CALIFORNIA REPORTING, LLC. Possible approval of Contract 180-11-001 for \$50,000 with California Reporting, LLC, for Hearing Reporter services for Energy Commission Business Meetings, hearings, and public workshops from April 12, 2012 to September 14, 2012. (ERPA funding.) Contact: Harriet Kallemeyn.
 - d. GAS TECHNOLOGY INSTITUTE. Possible approval of Amendment 1 to Contract 500-08-051 with Gas Technology Institute to extend the term by 12 months and reallocate budget between project tasks. The amendment will allow the contractor to collect cooling season data during the summer of 2012. There is no change to the amount of the contract or the scope of work. (PIER natural gas and electricity funding.) Contact: Golam Kibrya.
 - e. BLX GROUP, LLC. Possible approval of Contract 600-11-003 for \$15,000 with BLX Group, LLC, to provide rebate arbitrage compliance services for the Energy Efficiency Master Trust Revenue Bond Series 2003A and 2005A. Contact: (ECAA bond funding.) Contact: Chris Scott.
 - f. CITY OF AGOURA HILLS. Possible approval of Amendment 1 to Agreement CBG-09-078 with the City of Agoura Hills for a change in the scope of work. The city's traffic signal retrofit project came in under budget. The city proposes to use the remaining funds to upgrade street lighting fixtures and illuminated street-sign lighting to more efficient systems. (EECBG funding.) Contact: Adel Suleiman.
 - g. CITY OF CARMEL. Possible approval of Amendment 1 to Agreement CBG-09-121 to extend the term of the agreement to June 14, 2012. No other

changes are proposed. The project is a comprehensive lighting upgrade for the city's Public Works and Police Station facilities and a high-efficiency HVAC upgrade for the Police Station. (EECBG funding.) Contact: Amir Ehyai.

- h. BEVILACQUA-KNIGHT, INC. Possible approval of Amendment 1 for Agreement PIR-08-018 with Bevilacqua-Knight, Inc. for a ten-month no-cost time extension to March 31, 2013 due to the delayed start of the various home energy retrofit programs that are the source of the data for the project. (PIER electricity funding.) Contact: Jeffrey Doll.
- i. RUUD LIGHTING, INC. Possible approval of Amendment 1 to Agreement PIR-08-020 with Ruud Lighting, Inc., dba Beta Lighting, to extend the agreement for ten months to March 29, 2013, change the company name from Ruud Lighting, Inc. dba Beta Lighting to BetaLED by Cree, Inc. due to an acquisition, and reallocate funds between project tasks to demonstrate energy efficient street lighting technology in three major cities. The funding amount remains the same. (PIER electricity funding.) Contact: Dustin Davis.

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

- 2. ENERGY COMMISSION COMMITTEE APPOINTMENTS. Possible approval of appointments to the Energy Commission's Standing Committees and Siting Case Committees. Contact: Kevin Barker. (5 minutes)

No action was taken on Item 2.

- 3. WATSON COGENERATION STEAM AND ELECTRIC RELIABILITY PROJECT (09-AFC-1). Possible approval of the Presiding Member's Proposed Decision for the Watson Cogeneration Project, and possible errata. The proposed project will add a nominal 85 megawatt combustion turbine generator with a single-pressure heat recovery steam generator to provide additional process steam to the BP Carson refinery. The project site is a 2.5-acre brown field site located within the boundary of the existing Watson Cogeneration Facility at the Carson Refinery (BP Refinery) in the city of Carson, Los Angeles County. Contact: Raoul Renaud. (20 minutes)

Commissioner Peterman moved and Commissioner Douglas seconded approval of the Proposed Decision. The vote was unanimous. (3-0)

- 4. SUNRISE POWER (98-AFC-4C). Possible approval Sunrise Power Project's petition to eliminate an obsolete Air Quality condition from its Conditions of Certification. Due to State of California rule changes approved by the San Joaquin Valley Air Pollution Control District, the definition of a Thermal Stabilization Period was deleted and definitions for startup and shutdown periods were added. If approved, the modification would also reestablish consistency between the Energy Commission Conditions of Certification and San Joaquin Valley Air Pollution Control District's Permit to Operate. Contact: Eric Veerkamp. (10 minutes)

Commissioner Douglas moved and Commissioner Peterman seconded approval of the petition. The vote was unanimous. (3-0)

5. PROPOSED EXTENSION OF OPERATIONAL LICENSE FOR 2001 EMERGENCY PEAKER PROJECTS. Possible adoption of an order affirming the extension of the certification for eight emergency peaker facilities licensed in 2001: Wildflower Energy-Larkspur (01-EPC-1C), Wildflower Energy-Indigo (01-EP-2C), Alliance Colton-Century (01-EP-4C), Alliance Colton-Drews (01-EP-5C), Calpine-King City (01-EP-6C), Calpine-Gilroy (01-EP-8C), CalPeak Power-Enterprise (01-EP-10C), and CalPeak Power-Border (01-EP-14C). Contact: Craig Hoffman. (5 minutes)

Commissioner Douglas moved and Commissioner Peterman seconded adoption of the order. The vote was unanimous. (3-0)

6. SUN SIERRA SOFTWARE, INC. Possible approval of Purchase Order 11-409.00-010 for \$350,000 to Sun Sierra Software, Inc. for programming services to implement an upgrade and expansion of the Energy Consumption Data Management System for the Quarterly Fuel and Energy Report. (ERPA funding.) Contact: Gareth Occhiuzzo. (5 minutes)

Commissioner Douglas moved and Commissioner Peterman seconded approval of Item 6. The vote was unanimous. (3-0)

7. UNIVERSITY ENTERPRISES, INC. Possible approval of Contract 200-11-014 for \$5 million with University Enterprises, Inc. to provide student resources to the Energy Commission to meet peak workload demands in a variety of program areas. If approved, this contract adds \$500,000 in spending authority for fiscal year 2011/12 and \$900,000 each succeeding year until its June 30, 2017 expiration date. (ERPA funding.) Contact: Melanie Vail. (5 minutes)

Commissioner Douglas moved and Commissioner Peterman seconded approval of Item 7. The vote was unanimous. (3-0)

8. DEPARTMENT OF GENERAL SERVICES. In compliance with Public Resources Code 25471(d), possible approval of Amendment 2 to Interagency Agreement 400-09-005 with the Department of General Services to allow the Commission to transfer up to \$50 million in total, into the Energy Efficient State Property Revolving Fund from money received by the Commission under the American Recovery and Reinvestment Act of 2009 to be used for the purposes of the federal State Energy Program. This amendment will also extend the term of the agreement for five years to April 30, 2017. (ARRA-SEP funding.) Contact: Gabriel Taylor (5 minutes)

Commissioner Douglas moved and Commissioner Peterman seconded approval of Item 8. The vote was unanimous. (3-0)

9. CRHMFA HOMEBUYERS FUND. Possible approval of Amendment 4 to Contract 400-09-016 with CRHMFA Homebuyers Fund (CHF) to add an additional \$5 million in spending authority for the Moderate Income Sustainable Technology (MIST) program, contingent on funding availability and program performance. The MIST program provides grants and low interest loans for home energy efficiency and renewable energy upgrades for moderate income homeowners in CHF member and associate member

counties and cities through a revolving loan fund. (ARRA funding.) Contact: Adrian Ownby. (5 minutes)

Commissioner Douglas moved and Commissioner Peterman seconded approval of Item 9. The vote was unanimous. (3-0)

10. COUNTY OF LOS ANGELES INTERNAL SERVICES DEPARTMENT. Possible approval of Amendment 4 to Contract 400-09-024 with the County of Los Angeles Internal Services Department to add up to \$5 million in spending authority for the Retrofit LA program, contingent upon the availability of funds and program performance. The program provides innovative financing options for energy efficiency upgrades, such as Public Agency Building Revolving Loan Funds, Public Agency Building Loan Loss Reserve Financing, Residential Loan Loss Reserve Financing, Residential Interest Rate Buy Down Reserve Financing, Residential and Non-Residential PACE Loan Loss Reserve Financing, Multifamily Loan Loss Reserve Financing, HERS Rating and Audit Incentives tied to financing, and Contractor Scholarship Revolving Loan Funds. (ARRA funding.) Contact: Samuel Lerman. (5 minutes)

Commissioner Douglas moved and Commissioner Peterman seconded approval of Item 10. The vote was unanimous. (3-0)

11. CITY OF FRESNO. Possible approval of Amendment 2 to Contract 400-09-032 with the City of Fresno Sustainable Fresno Division to add \$500,000 in spending authority to the Fresno Regional Comprehensive Residential Retrofit Program. The funds will support existing program activities and further program coverage in the San Joaquin area to include Madera County. The program promotes residential retrofit projects in Fresno, Kern, Kings, and Tulare Counties by offering energy efficiency rating services to homeowners, training for contractors, and public education on the whole-house approach to energy efficiency to consumers and program partners. (ARRA funding.) Contact: Jenny Wu. (5 minutes)

Commissioner Douglas moved and Commissioner Peterman seconded approval of Item 11. The vote was unanimous. (3-0)

12. UNIVERSITY OF CALIFORNIA, RIVERSIDE. Possible approval of Contract 500-11-014 for \$1,400,536 with the Regents of the University of California on behalf of the Riverside campus to investigate improved renewable natural gas production by steam hydrogasification with carbon capture. (PIER natural gas funding.) Contact: David Effross. (5 minutes)

Commissioner Douglas moved and Commissioner Peterman seconded approval of Item 12. The vote was unanimous. (3-0)

13. UNIVERSITY OF CALIFORNIA, RIVERSIDE. Possible approval of Contract 500-11-015 for \$1.2 million with the Regents of the University of California on behalf of the Riverside campus to ensure compatibility of new renewable natural gas and other alternative fuels with existing transportation fuels infrastructure. (PIER natural gas funding.) Contact: David Effross. (5 minutes)

Commissioner Peterman moved and Commissioner Douglas seconded approval of Item 13. The vote was unanimous. (3-0)

14. LAWRENCE BERKELEY NATIONAL LABORATORY. Possible approval of Amendment 1 to Contract 500-09-042 with the Department of Energy, Lawrence Berkeley National Laboratory, to add \$1 million and extend the contract 12 months to March 31, 2016. The project is intended to improve energy efficiency and indoor air quality in California homes with gas appliances through research to develop methods to reduce indoor air pollution from combustion products. (PIER natural gas funding.) Contact: Guido Franco. (5 minutes)

Commissioner Douglas moved and Commissioner Peterman seconded approval of Item 14. The vote was unanimous. (3-0)

15. UNIVERSITY OF CALIFORNIA, BERKELEY. Possible approval of Contract 500-11-016 for \$425,000 with the Regents of the University of California on behalf of the Berkeley campus to conduct an in-depth analysis of the vulnerability of natural gas pipelines and other natural gas infrastructures in the San Francisco Bay and Delta areas to sea water intrusion and to explore the vulnerability of pipelines in the rest of the state. (PIER natural gas funding.) Contact: Guido Franco. (5 minutes)

Commissioner Peterman stated for the record that as a Ph.D. candidate at U. C. Berkeley, she was a Graduate Student Researcher at the Energy Institute at the Haas School of Business through May 13, 2011, and that she has not received compensation for that service since that time.

Commissioner Douglas moved and Commissioner Peterman seconded approval of Item 15. The vote was unanimous. (3-0)

16. CALIFORNIA BUSINESS, TRANSPORTATION AND HOUSING AGENCY. Possible approval of Amendment 3 to Contract 600-09-011 with the Business, Transportation and Housing Agency (BTH) to extend the agreement by 14 months to June 30, 2013 and add up to \$170,000 to provide financial expertise and services for the Clean Energy Business Financing Program. (ERPA funding.) Contact: Jacob Orenberg. (5 minutes)

Commissioner Douglas moved and Commissioner Peterman seconded approval of Item 16. The vote was unanimous. (3-0)

17. TAFT CITY SCHOOL DISTRICT. Possible approval of Agreement 002-11-ECF for a loan of \$1,807,443 to the Taft City School District to install ten solar photovoltaic projects totaling 680 kilowatts alternating current, and install energy efficient lighting controls, interior and exterior lighting, and vending machine controllers at six schools and the school district office. The upgrades will save the school district about 1.2 million kilowatt-hours of electricity and reduce greenhouse gas emissions by 418 tons annually. Based on the loan amount, the simple payback is approximately 11 years. (ECAA program funding.) Contact: Akasha Kaur Khalsa. (5 minutes)

Commissioner Douglas moved and Commissioner Peterman seconded approval of Item 17. The vote was unanimous. (3-0)

18. BAY AREA AIR QUALITY MANAGEMENT DISTRICT. Possible approval of Agreement ARV-11-003 for a grant of \$200,000 to the Bay Area Air Quality Management District to produce a comprehensive plug-in electric vehicle readiness plan for the Monterey Bay Area region to support the mass adoption of electric vehicles over the next ten years. (ARFVTP funding.) Contact: Lindsee Tanimoto. (5 minutes)
19. SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS. Possible approval of Agreement ARV-11-007 for a grant of \$200,000 to the Southern California Association of Governments to produce a comprehensive plug-in electric vehicle (PEV) readiness plan, including two sub-regional plans for the Southern California Association of Governments' six-county region. The plan will support the mass adoption of electric vehicles by developing plans for PEV infrastructure deployment, among other activities. (ARFVTP funding.) Contact: Lindsee Tanimoto. (5 minutes)
20. COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS. Possible approval of Agreement ARV-11-011 for a grant of \$200,000 to the Coachella Valley Association of Governments to produce a comprehensive plug-in electric vehicle readiness plan for the Coachella Valley region to support the mass adoption of electric vehicles over the next ten years. (ARFVTP funding.) Contact: Lindsee Tanimoto. (5 minutes)

Commissioner Peterman moved and Commissioner Douglas seconded approval of Items 18, 19 and 20. The vote was unanimous. (3-0)

21. PHASE II ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT (EECBG) - Possible approval of nine block grants to small cities and counties for energy efficiency projects. Currently, \$0 is available under the Phase II EECBG program for these nine projects. However, as funds become available they will be allocated to these Phase II grants on a first-come, first-served basis based on the order the grant application was received. (ARRA funded). Contact: Amir Ehyai. (10 minutes)
 - a. CITY OF BIG BEAR LAKE. Possible approval of Agreement CBG-11-007 for a grant of \$66,555 to the City of Big Bear Lake to install LED streetlights to replace metal halide lamps. This project is estimated to save 19,513 kilowatt hours of electricity annually, and reduce greenhouse gas emissions by approximately seven tons annually. (ARRA funding.) Project Manager: Anne Fisher.
 - b. CITY OF SHASTA LAKE. Possible approval of Agreement CBG-11-008 for a grant of \$475,000 to the City of Shasta Lake to install LED streetlights to replace high pressure sodium lamps. This project is estimated to save 144,750 kilowatt hours of electricity annually, and reduce greenhouse gas emissions by approximately 49 tons annually. (ARRA funding.) Project Manager: Elizabeth Shirakh.
 - c. CITY OF ALTURAS. Possible approval of Agreement CBG-11-009 for a grant of up to \$56,085 to the City of Alturas to install LED streetlights to replace high pressure sodium streetlights. This project is estimated to save 17,516 kilowatt hours of electricity annually, and reduce greenhouse gas emissions by approximately six tons. (ARRA funding.) Project Manager: Elizabeth Shirakh.
 - d. CITY OF FOSTER CITY. Possible approval of Agreement CBG-11-010 for a grant of up to \$747,939 to the City of Foster City to install LED streetlights to replace

high pressure sodium lamps. This project is estimated to save 710,200 kilowatt hours of electricity annually, and reduce greenhouse gas emissions by approximately 245 tons. (ARRA funding.) Project Manager: Cheng Moua.

- e. CITY OF DEL MAR. Possible approval of Agreement CBG-11-011 for a grant of \$25,000 to the City of Del Mar to install either induction or LED streetlights to replace high pressure sodium lamps, and to retrofit interior T12 fluorescent light fixtures to T8. This project is estimated to save 31,000 kilowatts hours annually, and reduce greenhouse gas emissions by approximately 11 tons annually. (ARRA funding.) Project Manager: Akasha Kaur Khalsa.
- f. CITY OF LAGUNA BEACH. Possible approval of Agreement CBG-11-012 for a grant of up to \$16,272 to the City of Laguna Beach to retrofit T12 fluorescent light fixtures to T8. This project is estimated to save 810 kilowatt hours of electricity annually, and reduce greenhouse gas emissions by approximately 560 pounds. (ARRA funding.) Project Manager: Anne Fisher.
- g. CITY OF MENLO PARK. Possible approval of Agreement CBG-11-013 for a grant of up to \$739,161 to the City of Menlo Park to install LED streetlights to replace high pressure sodium and low pressure sodium lamps. This project is estimated to save 514,367 kilowatt hours of electricity annually, and reduce greenhouse gas emissions by 177 tons. (ARRA funding.) Project Manager: Cheng Moua.
- h. COUNTY OF SANTA CLARA. Possible approval of Agreement CBG-11-014 for a grant of up to \$539,212 to the County of Santa Clara to install induction streetlights to replace high pressure sodium streetlights. This project is estimated to save 451,688 kilowatt hours of electricity of electricity annually, and reduce greenhouse gas emissions by approximately 156 tons. (ARRA funding.) Project Manager: Amir Ehyai.
- i. CITY OF DIXON. Possible approval of Agreement CBG-11-015 for a grant of up to \$606,075 to the City of Dixon to upgrade high pressure sodium streetlights to LED streetlights. This project is estimated to save 423,662 kilowatt hours of electricity annually and reduce greenhouse gas emissions by approximately 147 tons. (ARRA funding.) Project Manager: Joji Castillo.

Commissioner Douglas moved and Commissioner Peterman seconded approval of Item 21. The vote was unanimous. (3-0)

- 22. ALTERNATIVE AND RENEWABLE FUEL AND VEHICLE TECHNOLOGY BUY-DOWN INCENTIVE RESERVATIONS. Possible approval of a total of \$2,604,000 in vehicle buy-down incentive reservations (ARFVT funding). Contact: Andre Freeman. (5 minutes)
 - a. TOM'S TRUCK CENTER (OEM – Isuzu Commercial Truck of America, Inc.) (BDIR-11-33) in the amount of \$400,000 for the buy-down of 20 natural gas vehicles of 14,001 to 26,000 pounds gross vehicle weight and greater .
 - b. NATIONS BUS CORPORATION (OEM – Krystal Enterprises) (BDIR-11-34) in the amount of \$320,000 for the buy-down of 16 natural gas vehicles of 14,001 to

26,000 pounds gross vehicle weight and greater.

- c. NATIONS BUS CORPORATION (OEM –. Champion Bus, Inc) (BDIR-11-35) in the amount of \$280,000 for the buy-down of 14 natural gas vehicles of 14,001 to 26,000 pounds gross vehicle weight and greater.
- d. DAIMLER TRUCKS NORTH AMERICA LLC, (BDIR-11-36), in the amount of \$884,000 for the buy-down of 34 natural gas vehicles of 26,001 pounds gross vehicle weight and greater (fuel tank capacity less than 190 Liquefied Natural Gas or 90 Diesel Gallon Equivalent).
- e. WEST COAST BUS SALES, INC. (OEM – Tiffany Coachworks Corporation) (BDIR-11-37), in the amount of \$80,000 for the buy-down of 10 natural gas vehicles 8,501 to 14,000 pounds gross vehicle weight and \$200,000 for the buy-down of 10 natural gas vehicles 14,001 to 26,000 pounds gross vehicle weight for a total reservation amount of \$280,000.
- f. WEST COAST BUS SALES, INC. (OEM – Federal Coach Corporation) (BDIR-11-38), in the amount of \$40,000 for the buy-down of 5 natural gas vehicles 8,501 to 14,000 pounds gross vehicle weight and \$400,000 for the buy-down of 20 natural gas vehicles 14,001 to 26,000 pounds gross vehicle weight for a total reservation amount of \$440,000.

Commissioner Peterman moved and Commissioner Douglas seconded approval of Item 22. The vote was unanimous. (3-0)

23. Minutes:

- a. Possible approval of the March 14, 2012, Business Meeting Minutes.

Commissioner Douglas moved and Commissioner Peterman seconded approval of the March 14 Minutes. The vote was unanimous. (3-0)

- b. Possible approval of the March 28, 2012 Business Meeting Minutes.

Commissioner Douglas moved and Commissioner Peterman seconded approval of the March 28 Minutes. The vote was unanimous. (3-0)

24. Lead Commissioner or Presiding Member Reports.

Commissioner Douglas announced May is Bike Month and challenged Energy Commission staff to participate.

Commissioner Peterman commented on tomorrow's (April 12) IEPR workshop on renewable energy planning and the planned April 30 IEPR workshop on climate change. Chair Weisenmiller gave an update on summer 2012 issues.

25. Chief Counsel's Report: Chief Counsel Michael Levy gave the report.

26. **Executive Director's Report.** Executive Director Robert P. Oglesby gave the report.
27. **Public Adviser's Report.** None.
28. **Public Comment:** None.

Appearances:

Mr. Peter Christensen, California Air Resources Board
Mr. Jim Derby, Department of General Services
Dr. Joseph Norbeck, University of California, Riverside
Mr. Robert Sarvey (by telephone)
Mr. Gregory Wheatland, Ellison, Schneider & Harris, LLP

There being no further business, the meeting was adjourned.

Respectfully submitted,

HARRIET KALLEMEYN
Secretary to the Commission