

BUSINESS MEETING
BEFORE THE
CALIFORNIA ENERGY COMMISSION

In the Matter of:)
)
Business Meeting)
_____)

CALIFORNIA ENERGY COMMISSION
HEARING ROOM A
1516 NINTH STREET
SACRAMENTO, CALIFORNIA

WEDNESDAY, NOVEMBER 14, 2012
10:00 A.M.

Reported by:
Kent Odell

Commissioners Present

Robert B. Weisenmiller, Chairperson
Karen Douglas
Andrew McAllister
Carla Peterman

Staff Present:

Rob Oglesby, Executive Director
Michael Levy, Chief Counsel
Jennifer Jennings, Public Advisor
Harriet Kallemeyn, Secretariat

Agenda Item

Christine Stora	3
Camille Remy Obad	4
Jim McKinney	5
Michael Doughton	5
Jenny Wu	6
Raquel Kravitz	7
Cheryl Closson	8
Larry Rillera	9
Isaiah Larsen	10
Aida Escala	11, 12

Also Present

Interested Parties (* Via WebEx)

Lisa Cottle, Counsel, GenOn Marsh Landing	3
Jennifer Morris Lee, Walnut Creek Energy	4
Jane E. Luckhardt, Walnut Creek Energy	4
Floyd Vergara, ARB	5
Pete Price, Waste Management	5
Tim Carmichael, California Natural Gas Vehicle Coalition	5
Eileen Tutt, California Electric Transportation Coalition	5
*Linda Novick, Harvest Power	5
Charlie Bachand, CalCERTS	6
*George Nesbitt, HERS Rater	6
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g. REGENTS OF THE UNIVERSITY OF CALIFORNIA	
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i. UC ENERGY INSTITUTE	
j. UNIVERSITY OF MISSOURI, COLUMBIA	
k. GAS TECHNOLOGY INSTITUTE	
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P R O C E E D I N G S

NOVEMBER 14, 2012 10:09 a.m.

CHAIRPERSON WEISENMILLER: Let's start the meeting with the Pledge of Allegiance.

(Whereupon, the Pledge of Allegiance was recited in unison.)

CHAIRPERSON WEISENMILLER: Good morning. This is an historic day, the cap and trade auction, hopefully, is occurring about now. It's the first step towards monetizing carbon in our energy decision making so, great.

Let's start with the Consent Calendar.

COMMISSIONER PETERMAN: I'll move the Consent Calendar.

COMMISSIONER DOUGLAS: Second.

CHAIRPERSON WEISENMILLER: All those in favor?

(Ayes)

BOARD CHAIRPERSON WILSON: The Consent Calendar passed unanimously.

Item 2 will be held until the next meeting.

Let's go on to Item 3, Marsh Landing Generating Station Project. Christine Stora please start.

MS. STORA: Yes, hi. Good morning. My name's Christine Stora; I'm the Compliance Project Manager on the Marsh Landing Generating Station Project.

1 And with me today is representatives from GenOn;
2 I have senior staff counsel and technical staff is also
3 available, should you have questions.

4 The Marsh Landing Generation Station Project is a
5 760 megawatt facility that was certified by the Energy
6 Commission on August 25th, 2010.

7 The project is located north of the City of
8 Antioch, in Contra Costa County and is currently under
9 construction. The project is about 93 percent complete.

10 On May 4th, 2012 -- or I'm sorry, pardon me, on
11 May 14th, 2010 GenOn Marsh Landing, LLC filed a petition to
12 amend Condition of Certification Biology 8.

13 U.S. Fish and Wildlife Service requested that
14 GenOn change the recipient of the mitigation funds from
15 Friends of San Pablo Bay to the California Wildlife
16 Foundation.

17 The U.S. Fish and Wildlife Service requested this
18 change because they ascertained that the California
19 Wildlife Foundation is able to release funds for payment of
20 invoices which allows easier payments to the Antioch Dunes
21 Wildlife Refuge.

22 Friends of San Pablo Bay were notified by U.S.
23 Fish and Wildlife Service of this requested change.

24 In addition, the petition also requests funds to
25 be used for a broader range of weed mitigation activities

1 at the Antioch Dunes National Wildlife Refuge than what was
2 previously provided in the Condition Biology 8.

3 The staff analysis was docketed and posted on the
4 Energy Commission website on September 28th, 2012. No
5 comments were received during the public comment period.

6 Staff recommends approval of this petition.

7 CHAIRPERSON WEISENMILLER: Thank you. I believe
8 Lisa Cottle, representing the applicant, has a statement?

9 MS. COTTLE: Yes, thank you very much. Good
10 morning Commissioners, my name is Lisa Cottle, I'm counsel
11 to GenOn Marsh Landing, LLC, which is the owner of the
12 Marsh Landing Generating Station Project.

13 With me, also, is Peter Landreth, who's Director
14 of California Environmental Policy and Associate General
15 Counsel at GenOn.

16 We want to thank staff for their analysis in
17 support of this petition. And as was explained, we really
18 are making this request at the request of the U.S. Fish and
19 Wildlife Service. So, it simply redirects the funding
20 that's already required in the existing Condition of
21 Certification to an agency that the Service felt was better
22 able to efficiently disburse the funds.

23 And it broadens the range of activities. The
24 original condition really focused on weed mitigation and
25 removal. And this allows for different activities, such as

1 captive breeding and other types of species management
2 work.

3 So, we agree to make the request and we
4 appreciate staff's support for it and we would ask that you
5 approve it.

6 CHAIRPERSON WEISENMILLER: Thank you. Anyone
7 else want to comment?

8 Okay, Commissioners; questions or comments?

9 COMMISSIONER DOUGLAS: Commissioners, just a
10 brief comment. I've looked fairly closely at this. I
11 think the changes that are being proposed are positive
12 changes and I think that the Fish and Wildlife Service
13 recommendations are good ideas and we should follow through
14 with that.

15 So, I'd support this item. If there are no other
16 questions, I'll make a motion.

17 It doesn't look like it, so I'll just move
18 approval of Item 3.

19 COMMISSIONER MC ALLISTER: I'll second.

20 CHAIRPERSON WEISENMILLER: All those in favor?

21 (Ayes)

22 CHAIRPERSON WEISENMILLER: Item 3 passed
23 unanimously. Thank you.

24 MS. COTTLE: Thank you.

25 MS. STORA: Thank you.

1 CHAIRPERSON WEISENMILLER: Item 4; Walnut Creek
2 Energy Park Project, 05-AFC-2C, another amendment; Camille
3 Obad.

4 MS. OBAD: Good morning, I'm Camille Remy Obad
5 and I'm the Compliance Project Manager for the Walnut Creek
6 Energy Park.

7 The Walnut Creek Energy Park is a 500-megawatt
8 natural gas-fired peaking power plant under construction in
9 the City of Industry, located in Los Angeles County.

10 The project was certified by the Energy
11 Commission on February 27th, 2008 and is approximately 46
12 percent complete.

13 On September 12th, 2012 Walnut Creek Energy, LLC
14 filed a petition to amend and adjust eight air quality
15 conditions of certification.

16 According to staff's independent analysis, the
17 modifications proposed in the petition would, one, update
18 AQ-1 to include monthly reporting of particulate matter 2.5
19 and carbon dioxide.

20 Two, the proposed modifications would clarify the
21 start-up language in AQ-3.

22 It would remove an ammonia slip calculation
23 method in AQ-11.

24 It would increase the selective catalytic
25 reduction temperatures and operating pressure drop limits

1 in AQ-13 and 14.

2 Revise AQ-16 and AQSE-7 to delineate reclaimed
3 trading credits for each individual piece of equipment and
4 their submission due dates.

5 It would also clarify, in AQ-19, that for site
6 safety purposes the cooling tower and the emergency fire
7 pump are not subject to the operating restrictions
8 requirement requiring retirement of Huntington Beach Unites
9 3 and 4.

10 Lastly, the amendments would delete AQSE-9, which
11 is a redundant greenhouse gas reporting requirement and AQ-
12 17 as an outdated condition to source test priority reserve
13 emission credits that are not applicable to the project.

14 Energy Commission staff reviewed the petition,
15 independently assessed the amendments' impacts and proposes
16 changes to the eight aforementioned conditions of
17 certification.

18 It is staff's opinion that with the
19 implementation of the proposed changes the project will
20 remain in compliance.

21 The public comment period ended on November 9th,
22 2012 and staff did not receive any comments.

23 At this time, staff recommends approval of the
24 petition with the proposed revisions.

25 And I want to apologize, I did not mention that

1 staff counsel is here, as is our technical staff, and also
2 representatives for the applicant.

3 CHAIRPERSON WEISENMILLER: Thank you. Does the
4 applicant want to say anything on this topic?

5 MS. LEE: Good morning, I'm Jennifer Lee and I've
6 a Vice-President of Walnut Creek Energy, LLC. And we just
7 wanted to say thank you very much for staff's rigorous
8 analysis and assistance in keeping the project moving
9 forward, and on track, and in construction.

10 And then I wanted to introduce our counsel.

11 MS. LUCKHARDT: Hi, Jane Luckhardt from Downey
12 Brand on behalf of Walnut Creek. And we'd just like to
13 note, as well, that the South Coast Air Quality Management
14 District has already approved consistent changes in the
15 reclaimed Title 5 facility permit for Walnut Creek.

16 And that we ask that you approve the petition at
17 this time. And we appreciate the time that you've spent on
18 this, thank you.

19 CHAIRPERSON WEISENMILLER: Thank you. Just a --
20 well, given my San Onofre obsession, my impression was that
21 Huntington Beach's, all sets have been transferred to you
22 as of November 1st, you're doing test firing.

23 And so the next question is when would you expect
24 that project online?

25 MS. LEE: Walnut Creek? We expect it to be

1 substantially complete April 30th and to meet our PPA
2 deadline of June 1st, for next summer, for Walnut Creek to
3 be online.

4 And as of November 1st, we did surrender the
5 permits to operate for Huntington Beach 3 and 4, and those
6 units were retired in accordance with the South Coast
7 Retirement Plan. And South Coast issued their letter last
8 Friday.

9 CHAIRPERSON WEISENMILLER: Okay, thank you.

10 COMMISSIONER DOUGLAS: Okay, so Commissioners,
11 I've looked at this proposal as well. The changes being
12 proposed here, as staff has concluded, will not affect
13 the -- will not cause any adverse, direct or cumulative
14 impact from the project, that these are relatively minor
15 changes. So, I'd recommend this for your
16 approval and I will move Item 4.

17 COMMISSIONER PETERMAN: I'll second.

18 CHAIRPERSON WEISENMILLER: Okay, all those in
19 favor?

20 (Ayes)

21 CHAIRPERSON WEISENMILLER: Item 4 passes
22 unanimously. Thank you.

23 MS. LEE: Thank you very much.

24 CHAIRPERSON WEISENMILLER: Let's go on to Item 5,
25 which is Alternative and Renewable Fuel and Vehicle

1 Technology Program Regulations; possible approval of
2 proposed rulemaking proceeding.

3 I think Jim McKinney's going to discuss this.

4 MR. MC KINNEY: Good morning Commissioners. My
5 name is Jim McKinney; I'm Program Manager for the
6 Alternative and Renewable Fuel and Vehicle Technology
7 Program.

8 With me today is Michael Doughton, Senior Program
9 Attorney for our Program.

10 Today, staff seeks Commission approval to begin a
11 rulemaking to consider modification of regulation regarding
12 funding restrictions on projects under the ARFVTP.

13 Our program regulations contain a prohibition on
14 funding for projects required by law, regulation or
15 mitigation order.

16 A group of our biofuels and biogas grantees and
17 stakeholders are recommending that we modify our
18 interpretation of this part of our regulation because they
19 believe it inappropriately includes their companies and
20 their low-carbon fuel products.

21 Our program regulations also contain a provision
22 called the "credit discount provision." This means that if
23 a company receives an ARFVTP grant and then seeks to sell
24 or trade low-carbon fuel standard credits resulting from
25 our grant, the company will need to discount the value of

1 the LCFS credit in proportion to our initial funding award.

2 This same group of ARFVTP grantees is concerned
3 that this provision will cause economic harm to their
4 projects. They seek to have it removed.

5 The part of our program regulations that our
6 stakeholders are seeking to modify reads -- Regulation
7 3103(a) disallows ARFVTP funding for any project, "mandated
8 by any local, regional, state or federal law, rule or
9 regulations."

10 Subsection (b) further states that, "Credits that
11 the applicant plans to claim based on their reduction of
12 criteria pollutants, toxic air contaminants or greenhouse
13 gases may not be eligible for funding unless the applicant
14 agrees in the funding agreement to discount emission
15 credits in proportion to the amount of funding received."

16 In the rulemaking, Commission staff will
17 specifically consider whether or not to amend Regulation
18 3013 as follows: One, by possibly striking subsection (b)
19 of the regulation; two, by evaluating whether all or a
20 portion of the subsection (a) of the regulation warrants
21 being revised or stricken and; three, any other changes to
22 the regulation considered necessary to carry out the
23 requirements of California Health and Safety Code 44271
24 Part C.

25 Our program regulations relate to the Low-Carbon

1 Fuel Standard Program which is managed by the Air Resources
2 Board. The LCFS regulation requires producers of
3 petroleum-based fuels to reduce the carbon intensity of
4 their products by 10 percent by 2020. There are several
5 categories of fuels and fuel producers in the LCFS
6 regulation.

7 The first category are the producers and
8 importers of gasoline and diesel fuel products. These are
9 classified as regulated parties under the LCSF and they
10 have a regulatory obligation to reduce the carbon content
11 of their fuel products.

12 To satisfy this regulatory requirement they can
13 produce their own low-carbon fuel products, buy such
14 products on the market, or buy LCSF credits from third
15 parties.

16 The next category are the producers and importers
17 of biofuels, ethanols, green gasoline, biodiesel and
18 renewable diesel.

19 These companies are also classified as regulated
20 parties, but their fuel products generally have carbon
21 intensities lower than the LCFS standard. In other words,
22 they are already in compliance with the Low-Carbon Fuel
23 Standard.

24 The goal of these companies is to produce low-
25 carbon fuels and credits that the oil companies and

1 petroleum fuel importers will need to use to meet their
2 LCFS carbon reduction requirement.

3 A third category are the producers and importers
4 of electricity, hydrogen, natural gas and biogas. These
5 alternative fuel producers are formally exempt from the
6 LCFS regulation because their fuels already meet the LCFS
7 carbon intensity targets for 2020.

8 However, only regulated parties can own and trade
9 LCFS credits so these companies need to opt in to the LCFS
10 program and become a regulated party to qualify their low-
11 carbon fuel products for LCFS trading and sale.

12 The ARFVTP program regularly issues grants to
13 producers, distributors, and retailers of all the
14 alternative fuels covered in the LCFS program; ethanol,
15 biodiesel, natural gas, biogas, electricity and hydrogen.

16 Floyd Regard is a Senior Manager for the ARB's
17 LCFS program. He is here today and is available to answer
18 any questions on the LCFS regulation.

19 In February 2012 the Energy Commission received
20 letters of protest from a coalition of biogas and biofuels
21 producers questioning why the Section 3013 discounting
22 provision was being applied to projects not required by
23 law.

24 Six of the companies have our grants and they
25 would be subject to the credit discount provision. This

1 group states that their companies are not classified as
2 obligated parties under the Low-Carbon Fuel Standard and
3 did not have a regulatory compliance obligation to reduce
4 the carbon intensity of their fuel products.

5 They assert that they are voluntary participants
6 in the LCFS credit market who have opted into the program
7 and are named regulated parties to ARB only to ensure their
8 eligibility to sell LCFS credits.

9 These companies assert that they should not be
10 confused with companies that have a regulatory obligation
11 to reduce the carbon intensity of their petroleum-based
12 fuel products.

13 Many of these same companies testified at the
14 February 2012 Advisory Committee meeting for the Investment
15 Plan and they urged the Commission to not apply the credit
16 discount provision to companies and projects that do not
17 have a carbon debt obligation under the LCFS.

18 In their view, their low-carbon fuels projects
19 may be economically harmed and possibly rendered non-
20 economic if they cannot take advantage of the full value of
21 the LCFS credits their projects would generate.

22 They argue that LCFS credits are a critical and
23 integral part of their future revenue streams.

24 Program staff has reviewed these concerns and
25 supports opening a rulemaking to consider these issues.

1 I believe we have several speakers on this topic
2 today and I'm available to answer any questions you may
3 have.

4 CHAIRPERSON WEISENMILLER: Thank you. First,
5 ARB, do you have any comments, particularly in terms of the
6 accuracy of the staff's statement?

7 MR. VERGARA: Good morning Commissioners,
8 Commission staff my name is Floyd Vergara. I'm the Chief
9 of the Alternative Fuels Branch at the Air Resources Board.

10 We are in agreement with the staff's statements.
11 I'm here to convey our support for the staff's proposal to
12 open a rulemaking with regard to Section 3103. We feel
13 that's appropriate and necessary to address the issues that
14 have been raised.

15 We've had a great working relationship with Rob
16 and his staff, and we look forward to continuing that
17 relationship to help craft the appropriate language to
18 address these concerns.

19 So, other than that I'm here to answer any
20 questions you might have.

21 CHAIRPERSON WEISENMILLER: Thank you.
22 Commissioners, any questions?

23 COMMISSIONER PETERMAN: Commissioners, I'd
24 suggest we hear from the public on this.

25 CHAIRPERSON WEISENMILLER: Sure.

1 COMMISSIONER PETERMAN: And I may have a couple
2 comments, as well.

3 CHAIRPERSON WEISENMILLER: Okay. Our next
4 speaker is Pete Price, representing Waste Management.

5 Waste Management is the possessor of a
6 significant amount of biogas resources in the State. We've
7 participated in the AB 118 grant program and we're grateful
8 for it. And we were one of the signors of the letter
9 that's been referred to here.

10 I want to say I think Mr. McKinney very
11 accurately described the situation and some of the issues
12 that we are concerned about.

13 So, I'm glad the Commission is deciding to open
14 this proceeding.

15 AB 118, and I'll just be brief on this, AB 118
16 clearly prohibits double dipping which, in so many words,
17 is described in the law as using AB 118 funds to meet
18 existing requirements. And we certainly have no quarrel
19 with that, I don't know that anyone does.

20 As a matter of fact the regulation even goes into
21 some detail describing a kind of nuance circumstance where
22 a project may be designed to meet existing requirements.

23 But then it goes beyond, as far as emission
24 reductions, and describes how that project might qualify
25 for some amount of AB 118 funds, which seems appropriate.

1 But the regulation in subdivision (b) can be
2 read, and we're not even clear on this, but can be read to
3 limit the use of emission credits generated by a voluntary
4 project, not required by anyone, all of the emissions would
5 be excess.

6 And we're not even sure, like I say, that that's
7 what's intended by the language thus, I think the
8 appropriateness of the proceeding.

9 But we do hope that the Commission in this
10 proceeding will establish, recognize a bright line
11 distinction between these mandated -- these projects that
12 are as a result of mandated requirements and voluntary
13 activities.

14 There's nothing in the AB 118 language
15 prohibiting double dipping that suggests that there should
16 be limitations on emission credits coming from voluntary
17 projects, not as far as we read that language.

18 And the very purpose of AB 118, let's remember,
19 unlike some State grant programs, really focuses on those,
20 you know, RDD&D, those back end Ds of deployment, and
21 demonstration and deployment.

22 This program is all about commercialization. And
23 I can tell you on behalf of Waste Management, in no
24 uncertain terms that, frankly, even with the full value of
25 these credits in a world with historically low prices for

1 fossil natural gas, these projects, they have a difficult
2 time competing in the marketplace.

3 And so if the purpose of this program is to
4 actually get these new alternative technologies and fuels
5 to commercialization, we hope that all of those credits
6 will be available to these voluntary projects.

7 Thank you very much.

8 CHAIRPERSON WEISENMILLER: Thank you.

9 Tim Carmichael?

10 MR. CARMICHAEL: Good morning Commissioners, Tim
11 Carmichael with the California Natural Gas Vehicle
12 Coalition.

13 I represent about 27 companies in California that
14 care about natural gas transportation. I'd say about a
15 third of those are active in biomethane issues and eager to
16 develop or be part of that system in California, including
17 Waste Management.

18 Two points to make today. One is we strongly
19 support the staff's recommendation and encourage you to
20 open this proceeding for all the reasons that have already
21 been cited.

22 At a bare minimum, there's more confusion around
23 this than there should be, and so that's reason enough, in
24 our opinion, to raise this or to look at this again.

25 And we hope that you will make adjustments

1 because, as Pete noted, there are a lot of companies that
2 are really keen to do good alternative fuel projects in
3 this State and this, today, is seen as a hurdle to more of
4 those projects happening in the near term.

5 The second point I want to make is though it's
6 biomethane that has largely been highlighted in this
7 discussion, this is really an issue across the clean fuels
8 sector. This is not just a biomethane issue.

9 If you think about it for a minute, all the clean
10 fuels that we care about are getting funding in AB 118 and
11 most, if not all of them are today selling, or intending to
12 sell credits in the LCFS market.

13 So, it's not just a biomethane issue and that,
14 again, is another reason that warrants the staff and this
15 organization taking another look at this program and,
16 hopefully, making some adjustments.

17 Thank you very much.

18 CHAIRPERSON WEISENMILLER: Thank you.

19 Eileen Tutt.

20 MS. TUTT: Good morning, Eileen Tutt with the
21 California Electric Transportation Coalition. I represent
22 five of the largest utilities in California, as well as
23 some automakers.

24 And I'm here to reiterate what Tim said, we
25 support very much the Commission relooking at this issue,

1 so support the staff's recommendation.

2 From an electricity stand point it's kind of -- I
3 will say that every major utility has opted in to the Low-
4 Carbon Fuel Standard regulation and is calculating the
5 amount of credits that their generating.

6 But the Low-Carbon Fuel Standard regulation
7 requires the value of that credit to go back to the person
8 who purchases the light-duty vehicle.

9 So, it's kind of -- it's not like the utility or
10 the person generating the credit, so to speak, or tracking
11 the credits would even benefit in this case.

12 So, I think there is some confusion and it's not
13 warranted, so I really appreciate the Energy Commission's
14 considering this item. Thank you.

15 CHAIRPERSON WEISENMILLER: Thank you.

16 Linda Novick is on the line.

17 MS. NOVICK: Yes, thank you Commissioners. My
18 name's Linda Novick; I work with Harvest Power and we've
19 been identified for a grant for Tulare County's digester
20 facility under PLN 11601, under AB 118

21 COMMISSIONER PETERMAN: Linda, can you speak up a
22 little bit louder, please?

23 MS. NOVICK: Oh, I'm sorry. So, we appreciate
24 you opening this -- consideration of opening this again.
25 It's been, as the other speakers have indicated, a lot of

23

1 confusion as to what credits are going to be available and
2 not available to us.

3 And as we go forward in terms of making our final
4 decisions on how to implement this facility, it's evident
5 to us that we can use all the credits we can to put these
6 type of facilities on the ground as soon as possible.

7 Our digester will use commercial and residential
8 food waste to create compressed natural gas.

9 So, we strongly urge you to open this up and
10 consider strongly those of us who are voluntarily
11 constructing these facilities to be open to all credits
12 available.

13 Thank you.

14 CHAIRPERSON WEISENMILLER: Thank you.

15 Commissioners, any questions or comments?

16 COMMISSIONER PETERMAN: Commissioners, I'll make
17 a couple of comments as Lead Commissioner on
18 Transportation.

19 I support staff's proposal to open a rulemaking
20 to address and consider changes, possible changes to this
21 section of the code.

22 I think staff, in particular Mr. McKinney, have
23 done a thorough analysis of the concerns that have been
24 raised and will be able to proceed with a thorough and
25 comprehensive rulemaking to alleviate the confusion and get

24

1 some greater certainty around how to proceed.

2 I'll note that we've had significant stakeholder
3 interest in this issue. I appreciate that stakeholders who
4 have spoken here today, as well as others who are not here,
5 have presented this issue at previous Advisory Committee
6 meetings, have met with staff to be better clarity.

7 And I think that opening the rulemaking is the
8 appropriate forum to address these questions and to allow
9 us to address them in a part of a public discussion with
10 all relevant stakeholders engaged.

11 Specifically, I look forward to the continued
12 engagement of the Air Resources Board, you know, thank you
13 for being here today. Indeed, as this relates to the Low
14 Carbon Fuel Standard we want to make sure it's in line with
15 the agency that oversees that regulation.

16 And just following up on Mrs. Tutt's comments,
17 indeed, this is an issue that touches the suite of clean
18 energy technologies and fuels and I think it's important to
19 address.

20 I would encourage staff, if the Commission
21 decides to proceed with opening this rulemaking, to do it
22 as expeditiously as possible. We are currently rolling out
23 solicitations for the current Investment Plan, planning for
24 the next one and we would like to keep stakeholders aware
25 of what the rules are.

1 And so with that, if you have any questions, I
2 encourage you to ask staff or me.

3 COMMISSIONER DOUGLAS: Well, Commissioners, I
4 have a few comments on this. And this particular issue
5 caused me to walk down some memory lane because, of course,
6 I was on the Transportation Committee that put forward
7 these regulations for adoption by the Commission, and as we
8 went through the process of going through our first
9 Advisory Committee on AB 118.

10 And I was also engaged before I became a
11 Commission and I worked at Environmental Defense Fund, I
12 was engaged in some of the efforts legislatively to get
13 support for doing this program.

14 And, of course, as a number of speakers here have
15 commented, one of the very bedrock core principles of doing
16 the AB 118 program was that it was not going to pay for
17 compliance and that's clear, and that's in the regulations,
18 and that's been noted by a number of the stakeholders.

19 And we did go to some pains in the regulations to
20 not only make that clear but, as I think it was Pete said,
21 even go into some of the more esoteric schemes of what
22 might happen.

23 I can't, sitting here today, tell you what
24 exactly staff, or the Commission, or the stakeholders were
25 intending with the language in question, but I just want to

1 make some high-level comments which is to say, you know, at
2 the time that the Commission did this regulations we -- you
3 know, and the Air Resources Board was in the process of
4 developing the Low-Carbon Fuel Standard, and we had the
5 principle that we were not going to pay for compliance with
6 the 118 program.

7 And we had the policy goal that the 118 program
8 was going to be an incentive program and it was going to be
9 a, hopefully, significant part of helping transform the
10 market in the fuels and transportation area and
11 especially -- especially not just a research program, but
12 really moving forward with development and deployment

13 And there's no doubt that both the potential
14 synergies and also the potential of just interactions
15 between this incentive program and the regulatory, Low-
16 Carbon Fuels Standard were clear, but were not obvious in
17 all of their potential manifestations.

18 So, here we are a couples of years later and
19 we're looking at a provision that might be problematic and
20 might in fact prevent the beneficial use of AB 118 funds in
21 a way that leverages and helps support the Low-Carbon Fuel
22 Standard.

23 And I think that it's important to address that
24 concern and to do so, as Commissioner Peterman says,
25 expeditiously.

1 So, I'm glad to see this move forward. I am
2 going to be interested, you know, as this process
3 progresses.

4 I want to thank Jim for giving me a long briefing
5 yesterday, where I spent probably a good amount of time
6 peppering him with questions to just make sure that I was
7 clear on the contours of what was being proposed and what
8 wasn't, and that was very helpful.

9 It's a complex issue. I think there's a lot of
10 interest, certainly in the room, in us taking a close look
11 at it. And so, appreciate Commissioner Peterman bringing
12 it forward.

13 COMMISSIONER PETERMAN: Commissioner Douglas,
14 thank you for mentioning the deliberation process that went
15 into the initial regulations because, indeed, that's
16 information I received from staff as well, that there was
17 discussion of this issue initially, when the regulation was
18 drafted.

19 And as you noted, as we're a few years in and
20 we're seeing how these regulations work on the ground, it's
21 a good opportunity to revisit and make sure we're still
22 maintaining our principles of not incentivizing things that
23 are required for compliance but still, as you noted, using
24 the money efficiently.

25 COMMISSIONER MC ALLISTER: So, I'll -- this seems

1 like a perfect application of a rulemaking. There are
2 legitimate differences about interpretation and it's
3 exactly the forum that we need to convene to get to an
4 answer, and let everybody speak their peace and make the
5 best decision about what's going to work.

6 And I think that's exactly what's needed in this
7 marketplace right now, too, is to do the right thing that
8 both complies with statute, but also keeps in mind the
9 long-term vision for developing this marketplace.

10 So, you know, I'm very supportive.

11 COMMISSIONER PETERMAN: Commissioners, thank you.
12 Any other questions or comments?

13 MR. DOUGHTON: Commissioners, I have one comment
14 from legal.

15 COMMISSIONER PETERMAN: Please, thank you.

16 MR. DOUGHTON: This is Michael Doughton with the
17 Commission's Legal Office. And I just want to note one
18 matter for the record to correct, the draft order
19 instituting rulemaking, that is a part of today's backup
20 materials, has the correct docket number for this matter on
21 the cover page, and that correct number is 12-OIR-3.

22 However, there's a typographical error on page 3
23 where a different number is listed.

24 So, for anyone interested in this proceeding, we
25 will correct this document and the correct number, again,

1 is on the cover sheet, 12-OIR-3. Thank you.

2 COMMISSIONER PETERMAN: Thank you. And if
3 someone wants to start receiving information about the
4 workshops and such for this proceeding can they find that
5 on the AB 118 page, how would they go about doing this?

6 MR. DOUGHTON: I think Jim and I conferred on
7 that. It's on our website, under the AB 118 list serve
8 Transportation Energy lists, it's the second bullet on our
9 website under that category.

10 COMMISSIONER PETERMAN: Okay, thank you.

11 MR. MC KINNEY: And Commissioner, in accordance
12 with your direction, we'll proceed to get these materials
13 up and get the workshops scheduled.

14 COMMISSIONER PETERMAN: Thank you. With that I
15 will move Item 5.

16 COMMISSIONER MC ALLISTER: I'll second.

17 CHAIRPERSON WEISENMILLER: All those in favor?

18 (Ayes)

19 CHAIRPERSON WEISENMILLER: This item passed
20 unanimously. Thank you.

21 Let's go on to Item 6, California Home Energy
22 Rating Systems Program, (HERS), request to approve an order
23 instituting an informational proceeding.

24 Jenny Wu?

25 MS. WU: Good morning Commissioners. My name's

1 Jenny Wu; I'm with the Efficiency and Renewable Energy
2 Division.

3 I have with me is Pippin Brehler, the Legal
4 Counsel on this item before you.

5 Staff is requesting the Commission to initiate an
6 order instituting an informational proceeding to collect
7 stakeholder input on specific aspects of the California
8 Home Energy Rating System, also known as HERS.

9 Staff is implementing a recommendation in the
10 decision adopted by the Commission in July 2012, upon
11 having considered a complaint against CalcERTS, a HERS
12 provider, over the disciplinary action that the provider
13 had exercised over its rater that resulted in rater
14 decertification.

15 In the decision, the Commission had determined
16 that the provider had met the applicable HERS program
17 requirements in decertifying raters and the raters were not
18 owed constitutional procedural due process given the
19 disciplinary action taken were that of a private entity.

20 And lastly, the decertification that led to the
21 complaint was not to be reversed.

22 However, in the same decision, the Commission has
23 also recognize that there is an opportunity to further
24 evaluate and potentially clarify the provisions pertaining
25 to the Provider Quality Assurance Program rater

1 disciplinary process, the organization of rater companies,
2 and conflict of interest issues.

3 As such, the Commission has directed staff to
4 pursue an informational proceeding to obtain stakeholder
5 input on these specific topics in anticipation of a
6 revisions to -- a rulemaking revision to the HERS
7 regulations in the future.

8 Upon Commission's approval of this item, staff
9 will begin implementing the Commission's recommendation by
10 scheduling and organizing a listening workshop proposed for
11 March 6th, 2013.

12 This concludes the presentation and staff is
13 available to answer any questions.

14 CHAIRPERSON WEISENMILLER: Thank you. I believe
15 we have Charles Bachand in the room that wants to discuss
16 the issue. Please come to the podium, yeah.

17 MR. BACHAND: Hello, my name is Charlie Bachand,
18 I'm the Director of Quality Assurance at CalCERTS and I
19 remember seeing you all at the complaint hearing last --
20 earlier this year.

21 So, I'd like to say in brief that we are very
22 much in support of the idea of a workshop investigating how
23 quality assurance can work in California.

24 I think this is a good opportunity for us to
25 develop the quality assurance process further.

1 I think as an outcome of the complaint we saw
2 that there were some informal procedures that we had
3 developed at CalCERTS and we also saw that there were some
4 situations or contingencies that weren't really very well
5 covered by Title 20, as it stands right now.

6 And in response to that, we've taken the time to
7 develop a more formal procedure and more formal
8 communications with our raters and with people that both
9 have complaints and that are the recipients of complaints,
10 I should say.

11 And we also think that there are some worthwhile
12 changes to be made to Title 20.

13 And in the decision that was published by you
14 guys there was a discussion of essentially four things that
15 needed to be addressed in that workshop. One of them was
16 Title 20, one of them was HERS rater discipline, one of
17 them was how to deal with HERS rater firms, and another one
18 was how to deal with conflicts of interest.

19 I think that those are some very useful
20 categories to dive into in more detail. I think that, like
21 I've been saying, Title 20 needs some modifications to make
22 it a little bit more clear to providers and also easier for
23 providers to implement in the field.

24 I think that in regards to rater discipline that
25 there should be clear guidance in Title 20 as to what forms

1 of discipline are appropriate or requested, or otherwise
2 providers should be granted full authority to make those
3 decisions, themselves.

4 I think that there is a strong need for Title 20
5 to address HERS rater firms, firms with multiple raters
6 under one roof and the way that those firms can be
7 subjected to quality assurance and discipline, in the cases
8 of failure.

9 And finally, I think that Title 20 could address
10 conflicts of interest both in defining them slightly more
11 clearly and also to discuss how they can be investigated by
12 a providership, and what forms of discipline are fair or
13 reasonable when a conflict of interest is found.

14 So, I'd like to conclude by saying that I think
15 this is a great workshop. I look forward to participate in
16 it in March. And as always, I'm available for questions
17 for you, or the CEC or, indeed, anybody else that's
18 involved in the providership process. Thank you.

19 CHAIRPERSON WEISENMILLER: Thank you. I believe
20 we have a couple parties on the line, Dave Hegarty.

21 Then let's go to George Nesbitt.

22 MR. NESBITT: Yes, George Nesbitt, CalHERS. The
23 Energy Commission, the providers, as well as others in our
24 industry seem to continuously refer to HERS raters with a
25 lower case "r" rather than a capital "R", just as we refer

1 to an architect or an engineer. We are professionals.

2 In looking at the HERS provider and HERS rater
3 relationship, the Energy Commission also needs to look at
4 its relationship with the providers, as well as the
5 relationship with the raters, which is sorely, sorely
6 missing. Yet, you're relying so much on our building --
7 (inaudible) -- codes.

8 HERS raters need -- we also need to look at the
9 need for consistent training, rules, certification, testing
10 with multiple providers, rather than having different rules
11 with different providers. HERS raters need to have the
12 ability to seamlessly transfer between providers.

13 RESNET nationally developed an education for the
14 providers, which makes it a lot easier. You know, I think
15 we're seeing here in California it's very expensive and
16 difficult to become a provider, so we need to make that
17 easier because we need -- we need multiple providers.

18 A consistent problem for us raters is we cannot
19 actually fail someone. And when we do, the installing
20 contractors usually call us idiots and say we don't know
21 what we're doing, and they'll bring in another rater to get
22 it passed.

23 We are not allowed to issue a (inaudible) --

24 Our ability to protect the customer, act as a
25 special inspector to -- and the integrity of the HERS rater

1 and the HERS profession.

2 On the conflict of interest, your proposed order,
3 you forgot to mention that you allow conflict for the
4 building permits contractor. And the great thing about
5 California's HERS regulations is you do not allow a
6 conflict of interest, as RESNET national, and there really
7 is no change needed unless you want to remove the
8 conflict -- the allowable conflict of the building
9 department contractor.

10 Where you say there's no mention of discipline in
11 title 20, there is. Yes, it is incomplete and we need it
12 more clear.

13 And as far as discipline for HERS rater
14 companies, I think that would be a really difficult thing
15 to actually do and it really belongs at the HERS rater
16 level.

17 (Alarm rings)

18 CHAIRPERSON WEISENMILLER: Thank you for your
19 comments. We hope you're going to participate in the
20 workshop.

21 Commissioners, any -- well, let's go back to
22 these. Is the other gentleman on the line, now? Okay,
23 then please speak, Dave Hegarty.

24 Okay, Commissioners, any questions or comments on
25 this item?

1 COMMISSIONER MC ALLISTER: I'll just make a
2 comment. So, you know, except for today we really are just
3 opening the rulemaking so there's really no need to get
4 into the substance of the issues. I think these issues are
5 pretty clearly on the table after, as Ms. Wu described, the
6 complaint process that we went through that I think, you
7 know, brought up a lot of interesting issues and I think
8 was very productive in a lot of ways.

9 Obviously, it resolved the issue at hand, but
10 also I think indicated the need for some further vetting of
11 the issues listed.

12 And, you know, the State depends on the HERS
13 infrastructure to do important things to help us advance
14 our energy efficiency goals and we need to get it right.
15 We need to vet it, continually improve it, and that's what
16 this rulemaking is all about.

17 So, I'm very supportive of continuing, of opening
18 the rulemaking and looking forward to a very productive
19 engagement with the HERS raters and the building industry
20 at large because I think getting these issues -- framing
21 the HERS marketplace, the HERS endeavor in such a way that
22 it's clear, transparent, and that the actors know where
23 they stand at all times is important for it to function
24 well and help us achieve our goals. It's a tool.

25 So, I am very supportive and look forward to

1 working with all of you.

2 COMMISSIONER DOUGLAS: I just want to note that
3 I'm looking forward to working with Commissioner McAllister
4 on this matter.

5 The issues around the HERS marketplace were very
6 often front and center in my time as the Lead Commissioner
7 for Efficiency and they certainly will be, as he knows very
8 well, in his time as Lead Commissioner for Efficiency.

9 This is, obviously, a relatively narrow
10 proceeding looking particularly at issues that arose in the
11 complaint, and issues that are very closely related to
12 that.

13 So, the broader context of the HERS Program, and
14 AB 758 in the broader efficiency marketplace, you know,
15 those will be part of the 758 proceeding and not part of
16 this much narrow, but very important inquiry.

17 So, in any case, I am looking forward to
18 assisting on this.

19 COMMISSIONER MC ALLISTER: Thanks.

20 CHAIRPERSON WEISENMILLER: Now, I was going to
21 say I have not been as deep in this issue but, again, I
22 think the challenge for all of us is as the State promotes
23 a number of measures or policies that we have to make sure
24 we have the consumer protection measures in place so that
25 the benefits are really achieved from those subsidies.

1 COMMISSIONER MC ALLISTER: So, I'll make a
2 motion, this was Number 6, a motion to approve Item Number
3 6.

4 COMMISSIONER DOUGLAS: Second.

5 CHAIRPERSON WEISENMILLER: All those in favor?

6 (Ayes)

7 CHAIRPERSON WEISENMILLER: This item passes
8 unanimously.

9 Thank you, Ms. Wu.

10 Let's go on to Item Number 7; Trustees of the
11 California State University, possible approval of 18 grant
12 applications totaling \$1,508,570.

13 And this is PIER funded, Electricity, Natural Gas
14 and Transportation.

15 Raquel Kravitz, please.

16 MS. KRAVITZ: Good morning Commissioners, my name
17 is Raquel Kravitz. I'm the Commission Agreement Manager
18 for the Energy Innovation Small Grants Program, also known
19 as the EISG.

20 Staff seeks approval for funding the 18 proposals
21 totaling a little bit over a million 500 for the four
22 categories of the EISG Solicitation 1102, natural gas,
23 transportation, electricity and transportation natural gas.

24 To give you a little bit of a background, the
25 EISG Program is a component of public interest energy

1 research that is currently being administered by San Diego
2 State University.

3 The purpose for this program is to support the
4 healthy growth and development of new energy technology
5 ideas that has not yet been established.

6 It is open to everyone and the types of
7 applications that we receive are generally from
8 individuals, small businesses, nonprofits and academic
9 institutions.

10 It provides up to \$95,000 for hardware projects
11 and up to \$50,000 for modeling concepts.

12 One of the criteria for this project is that each
13 of the projects must cover one or more of the PIER R&D
14 areas. It must address a California energy problem and it
15 must provide a potential benefit to California's electric
16 and natural ratepayers.

17 And I just wanted to tell you that all of these
18 18 projects are in California.

19 This program has been around for 14 years. It
20 started in 1998 to be exact. And we do about three
21 solicitations a year.

22 And I guess the best measure that I can tell you
23 about this program is that almost half of the projects that
24 get recommended through this program receive follow-on
25 funding, which is a great indicator that there are others

1 that are also interested in the projects.

2 The EISG's solicitation process is very
3 competitive. Almost -- only the projects that meet the
4 criteria during the multiple levels of review gets
5 recommended for funding.

6 It goes through a two-stage process. After the
7 administrative review where they look at each project,
8 whether it meets one or more of the PIER R&D areas, it goes
9 through a technical review meeting where each of the
10 projects are looked for technical merit.

11 And after that it goes through a program
12 technical review where it looks at the program policies and
13 procedures.

14 For the solicitation there were 92 proposals that
15 was received; 40 went to technical review. And from the
16 technical review meeting there were 27 that got forwarded
17 to program technical review.

18 And from the program technical review there were
19 18 proposals that was recommended for funding.

20 From the 18 proposals there were five projects
21 under transportation energy research; there were seven
22 projects under renewable energy research and from that
23 seven there were two that also included energy-related
24 environmental research.

25 There were two projects under technology system

1 and integration research. And the last four were in
2 buildings and use energy efficiency.

3 I would be more than happy to answer any
4 questions that you have on these 18 projects that staff is
5 asking for approval. Thank you.

6 CHAIRPERSON WEISENMILLER: Commissioners, any
7 questions or comments for the staff?

8 COMMISSIONER DOUGLAS: Go ahead.

9 COMMISSIONER PETERMAN: Well, I'll just make the
10 quick comment that this has been a successful grant
11 program. I've heard positive things about it outside of
12 the Commission and it seems like an interesting suite of
13 projects that can support a lot of our State goals.

14 COMMISSIONER DOUGLAS: I was really going to say
15 the same thing. We always -- every time grants come up
16 under this particular program we always wax poetic about
17 what a great program it is because the follow-on funding is
18 good, the support that this program provides for really
19 innovative -- really innovative projects and ideas at this
20 critical point in their inception is important to
21 California.

22 So, I'm pleased to see it. I always feel like
23 I'm repeating myself when this item comes up and I say the
24 same thing. In fact, I am repeating myself.

25 But in any case -- in any case, thank you for

1 bringing this forward.

2 And if I could, I'll make -- I'll move to approve
3 Item 7.

4 COMMISSIONER MC ALLISTER: I wanted to just say
5 something quickly. So, it's because it is worth repeating,
6 just every time -- you know, I haven't been able to vote on
7 many of these, but every time -- you know, the list of
8 projects that comes out of the process is really impressive
9 and it generates just an incredible amount of knowledge and
10 expertise around the State that we then utilize in very
11 concrete terms.

12 And this is the front end of a process that in
13 many cases changes the way business is done in California
14 down the road. And not in all cases, that's the nature of
15 R&D, right.

16 But it's really, really important. And I think I
17 want to highlight the process by which -- you know, by
18 which that end result happens. And there's a lot of kind
19 of process -- the process supports getting the best
20 projects to the end goal.

21 And I think that sort of very strategic feedback
22 helps all the proposal get better. Even the people who
23 don't win, they then can turn around and come up with a
24 better proposal the next time, and rethink.

25 So, I think there's a very valuable -- there's a

1 very valuable -- there's value in that process, as well as
2 in the end result.

3 And these grants are relatively small, they're
4 very high value, there's a lot of match and energy involved
5 in bringing the end result to the Commission.

6 And so there's just a lot to like about this
7 program and it has real value to the State. So, I'm happy
8 to second.

9 CHAIRPERSON WEISENMILLER: Yeah, as the Lead
10 Commissioner on Research and Development, I've gone through
11 all these specific projects and, again, would recommend the
12 Commission approve these items.

13 This one has had, you know, sort of an outside
14 review done by Jim Sweeney, which indicates a very
15 successful program here on the job side.

16 So, again, good program and I think all of us
17 need to get the message out on what this has accomplished.

18 And with that, we have a motion and a second, so
19 we want to vote on it?

20 COMMISSIONER MC ALLISTER: Yeah, I second.

21 CHAIRPERSON WEISENMILLER: Okay, all those in
22 favor?

23 (Ayes)

24 CHAIRPERSON WEISENMILLER: These items are
25 approved. Thank you very much.

1 Let's go to Item Number 8, Renovitas, LLC, and
2 this is a possible approval of Amendment 1 to the agreement
3 GEO-10-003.

4 Cheryl Closson, please.

5 MS. CLOSSON: Good morning, I'm Cheryl Closson
6 with the Energy Research and Development Division.

7 We seek your approval today for an amendment to
8 reduce the scope and budget for a Geothermal Grant Loan
9 Program Agreement with Renovitas for geothermal exploration
10 work in the Wilbur Hot Springs area of Colusa and Lake
11 Counties.

12 The original project included geologic mapping,
13 geophysical surveys, temperature gradient well drilling,
14 deep exploratory well drilling and a feasibility study for
15 the potential of geothermal electrical production in the
16 area.

17 The original full project cost is \$3.7 million,
18 with Renovitas and their partner, Sacramento Municipal
19 Utility District, providing \$2.2 million in match funding.

20 The grant award for the full project is currently
21 \$1,492,722.

22 Unfortunately, significant project work delays
23 have occurred because of the need to avoid mining wastes in
24 the area, as well as difficulties acquiring the mineral
25 rights and surface access permissions.

1 Consequently, the grant project cannot be
2 completed as originally proposed and an amendment to reduce
3 both the scope of work and funding was requested by the
4 grantee.

5 With this amendment, the grant scope of work
6 would be reduced to only the geologic mapping and
7 geophysical surveys, removing all of the drilling and
8 feasibility work.

9 Because the geologic mapping and geophysical
10 surveys are much less expensive than drilling activities,
11 the grant amount would be reduced to only \$264,229
12 commensurate with the amended level of work. And the match
13 contribution would be reduced to approximately \$400,000.

14 The \$1.2 million in geothermal grant funds not
15 used by the project would be returned to the Energy
16 Commission's Geothermal Resources Development account and
17 these funds could then be used to support new geothermal
18 projects in a future solicitation.

19 The reduced scope of work would still provide
20 valuable information to the grantee, geothermal developers,
21 agencies and the general public.

22 The geologic and geophysical data generated will
23 help advance the understanding of the geology and
24 geothermal system in the project area and it will help
25 Renovitas and SMUD move forward in selecting appropriate

1 sites for future exploration in the area.

2 I'm happy to answer any questions that you might
3 have.

4 CHAIRPERSON WEISENMILLER: Thank you.

5 Commissioners any questions or comments?

6 Actually, first let me see, does SMUD want to
7 make a comment on this? Is Tim still here? Tim?

8 MS. CRANDALL: My name is Debbie Crandall with
9 Renovitas, the Project Manager.

10 CHAIRPERSON WEISENMILLER: Please, yeah.

11 MS. CRANDALL: Thank you. Renovitas is
12 representing -- not really representing SMUD, but SMUD
13 representatives couldn't be here today and I'm here to
14 represent.

15 We appreciate your consideration of this proposal
16 and thank Cheryl and staff's recommendation.

17 CHAIRPERSON WEISENMILLER: Thank you.

18 Commissioners any questions or comments from
19 staff on Renovitas?

20 Okay, again, I'm on the R&D Committee, so
21 certainly have reviewed this and recommend that the
22 Commission approve this specific amendment.

23 COMMISSIONER DOUGLAS: I will -- okay, I just
24 wanted to comment that it's always disappointing when we
25 get to place where, you know, you see that a project can't

47

1 be completed, especially when it -- you know, this looks
2 like a good project and exploration for potential
3 geothermal energy, in this case with SMUD and its partners,
4 you know, is always an exciting opportunity.

5 So, hopefully, the amount of exploration that
6 they're able to do with the smaller grant and in the
7 timeframe will be helpful, and if there is potential there
8 will be ways to finance at least further stages of
9 exploration for a project going forward.

10 So, I guess that does raise the question that I
11 will ask; what would be the next steps if the initial
12 exploration that this project is proposing were undertaken
13 and, you know, there were good results from that
14 exploration? Is there any sense of what the next steps
15 would be on the part of SMUD or its partners?

16 MS. CRANDALL: It's my understanding that SMUD
17 would want to continue exploration in the area and that
18 they have stated in the past that they would be doing this
19 exploration whether or not the Commission funded the
20 activity.

21 They always do have the option to come back to
22 the Grant and Loan Program with another project, at a
23 future solicitation, that would be competitively analyzed
24 and potentially funded, depending on how it scored in the
25 analysis.

1 COMMISSIONER DOUGLAS: Okay, thank you. So, I'll
2 move approval of Item 8.

3 CHAIRPERSON WEISENMILLER: A second?

4 COMMISSIONER MC ALLISTER: I'll go ahead.

5 CHAIRPERSON WEISENMILLER: All those in favor?

6 (Ayes)

7 CHAIRPERSON WEISENMILLER: This item has been
8 approved unanimously.

9 MS. CRANDALL: Thank you.

10 CHAIRPERSON WEISENMILLER: Thank you, Cheryl.

11 Let's go on to the California Department of
12 Housing and Community Development; possible approval of
13 Contract 600-12-003 for \$200,000 with the California
14 Department of Housing and Community Development. And this
15 is ARFVT funding.

16 Larry, hi.

17 MR. RILLERA: Good morning Chairman and
18 Commissioners. My name is Larry Rillera, with the Division
19 of Fuels and Transportation Division.

20 Governor Jerry Brown issued Executive Order B-16-
21 12 on March 23rd, 2012 regarding the development of --
22 excuse me, development and adoption of zero emission
23 vehicles or ZEVs.

24 The Governor's Office formed an interagency
25 working group on ZEVs comprised of State agencies,

1 including the Energy Commission and the California
2 Department of Housing and Community Development, or HCD.

3 In September, the Governor's Office released the
4 2012 ZEV Action Plan, a road map toward 1.5 million zero
5 emission vehicles on California roadways by 2025.

6 The ZEV Action Plan identifies strategies and
7 actions needed to support ZEV adoption.

8 Increased use of ZEV technologies requires the
9 State to address issues such as electric vehicle supply
10 equipment, or EVSE, approvals, installation and the
11 requisite building issues that arise.

12 Delays in EVSE approval and installation result
13 in consumer dissatisfaction and an experience that can
14 impact ZEV usage.

15 HCD has the technical and policy knowledge and
16 currently adopts electrical codes which provide technical
17 instruction on the physical properties and wiring methods
18 used to supply power to EVSE.

19 However, these codes do not specify the size,
20 quantity or address future needs for increased ZEV usage.

21 Agreement 600-12-03, between the Energy
22 Commission and HCD seeks to, one, identify and review
23 current reports, information and material related to EVSE
24 charging for residential buildings and; two, assess
25 resources and identify parameters to be considered for

1 possible future code requirements.

2 The agreement specifies that HCD will establish
3 an EV steering committee, hire a subcontractor to
4 facilitate the review, and assess the requirements and
5 costs for EVSE in single-family dwellings, condominiums and
6 apartments, and will also prepare a report of the findings
7 to assist in the increase of ZEV usage.

8 This concludes my staff presentation. Doug
9 Hensel of HCD is here in support of the agreement.

10 CHAIRPERSON WEISENMILLER: Please come up to the
11 podium.

12 MR. HENSEL: Mr. Chair, Members of the
13 Commission, I'm Doug Hensel representing the Department of
14 Housing and Community Development.

15 We believe that this information is imperative as
16 we go forward with EV ready homes. And I'd be happy to
17 answer any questions you may have.

18 CHAIRPERSON WEISENMILLER: Thank you.

19 Commissioners, any questions or comments?

20 COMMISSIONER PETERMAN: I'll just comment. I
21 think this grant helps assist us in our goals to make
22 communities ready for EVs and addressing both the cost and
23 the code I think will be important going forward, so I'm
24 supportive of this grant.

25 COMMISSIONER MC ALLISTER: Yeah, the

1 infrastructure for EV charging, I mean we know that this is
2 a major initiative that needs to happen, electrification of
3 the vehicle infrastructure, or the vehicle fleet. And
4 infrastructure, charging infrastructure is one of the main
5 barriers and we need all of the resources we can get, and
6 all the partners we can get and agencies that are willing
7 to move forward with this to install the infrastructure
8 necessary.

9 There's a big system that has to be created to
10 support electric vehicle fleet, so this is a nice step in
11 that direction, so I'm supportive.

12 COMMISSIONER PETERMAN: Well, if there are no
13 other questions or comments, then I will move Item Number
14 9.

15 COMMISSIONER MC ALLISTER: And I'll second.

16 CHAIRPERSON WEISENMILLER: Okay, all those in
17 favor of Item Number 9?

18 (Ayes)

19 CHAIRPERSON WEISENMILLER: Item Number 9 passed
20 unanimously.

21 Thanks. Thanks Larry.

22 COMMISSIONER PETERMAN: Thank you for being here.

23 MR. HENSEL: Thank you Commissioners. On behalf
24 of Director Linn Warren, thank you very much.

25 COMMISSIONER PETERMAN: Thank you.

1 CHAIRPERSON WEISENMILLER: And thank you.

2 Let's go on to Item Number 10, OurEvolution
3 Energy and Engineering; possible approval of Agreement ARV-
4 12012, for \$30,124, and this is, again, ARFVTP funding.

5 Isaiah Larsen.

6 MR. LARSEN: Good morning Chairman and
7 Commissioners. My name is Isaiah Larsen and I'm with the
8 Emerging Fuels and Technology Office.

9 Staff requests your approval for ARV-12-012,
10 which is a \$30,124 grant agreement with OurEvolution Energy
11 and Engineering using funding from the Alternative and
12 Renewable Fuel and Vehicle Technology Program under AB 118.

13 The proposed infrastructure projects will provide
14 a level 2 workplace EV charging station adjacent to city
15 hall in Arcata, California, as well as in Old Town Eureka,
16 California.

17 This project will serve the existing electric
18 vehicle fleet for a large engineering company and will
19 provide an upgrade to an existing workplace EV charging
20 station.

21 Additionally, the project management experience
22 and usage data collected during implementation will support
23 the ongoing CEC-funded North Coast Plug-In Electric Vehicle
24 Readiness Planning Project.

25 Construction is expected to be completed by June

1 2013 and a final report, including six months' of data
2 collection and analysis will be finished by January 2014.

3 I respectfully ask for your approval of this
4 current agreement and would be glad to answer any
5 questions. Thank you.

6 CHAIRPERSON WEISENMILLER: Okay, do we have --

7 COMMISSIONER PETERMAN: I think they're here for
8 another item.

9 CHAIRPERSON WEISENMILLER: Are you here for
10 another item or for this item?

11 UNIDENTIFIED SPEAKER: I'm Number 11.

12 COMMISSIONER PETERMAN: You're for Number 11.

13 CHAIRPERSON WEISENMILLER: That's fine, just
14 double checking. Just double checking, you know.

15 So, any questions or comments on this item?

16 COMMISSIONER PETERMAN: I'll just comment,
17 Commissioners, that the AB 118 plan and the Governor's Zero
18 Emission Vehicle Plan both identify workplace charging as a
19 key need and an opportunity, really, to bring EV to a
20 broader array of consumers, particularly for those who
21 don't have a charging infrastructure in their homes, if
22 they're multi-family unit dwellings.

23 We're working on that, but workplace charging
24 offers another opportunity.

25 I think this is a good project to support, also,

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1 because it provides charging infrastructure in the North
2 Coast, an area where you might have less penetration of
3 vehicles and, therefore, infrastructure, and so it's good
4 to see us expanding to other parts of the State to create a
5 statewide EV charging infrastructure network.

6 COMMISSIONER MC ALLISTER: Yeah, I think all of
7 these various items, including this one, really reinforce
8 the -- I mean they're all part of the overall plan to get
9 infrastructure and charging infrastructure accessible to
10 more folks, both fleets and private vehicles.

11 And I thank the Fuels and Transportation for the
12 nice briefing about all these projects, so I feel like I'm
13 pretty up-speed on them.

14 And in this case, the construction and the -- the
15 initial construction, which is where the big investment
16 happens, but then there's also the operational, the
17 business models that go into keeping these charging
18 stations operational, and available, and maintained. And
19 this one is a nice one that sort of gets the maintenance
20 done for a couple of years and then the business takes over
21 after that, so appreciated that aspect of this project.

22 So, should I -- ready? Do you want to make
23 any -- okay, will move for approval of Item 10.

24 COMMISSIONER PETERMAN: I'll second.

25 CHAIRPERSON WEISENMILLER: All those in favor of

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1 Item 10?

2 (Ayes)

3 CHAIRPERSON WEISENMILLER: Item 10 passed
4 unanimately.

5 Thank you.

6 COMMISSIONER PETERMAN: And Chair, if I may, I
7 just wanted to acknowledge and thank my fellow Commissioner
8 for taking the time, as well, to get briefings on all these
9 different items because we all cover different areas and
10 that can be challenging enough. But based on your comments
11 and your engagement, particularly on some of the AB 118
12 grant discussions in the last few Business Meetings I can
13 tell you have looked at these issues and appreciate your
14 attention to them.

15 CHAIRPERSON WEISENMILLER: Great. As a footnote,
16 I will note -- I'm assuming all of us got letters from Bob
17 Raymer supporting Item 9 but, again, but he was not able to
18 be here today and, certainly, we're going to make sure that
19 that letter is in the record right, Jennifer? Okay,
20 thanks.

21 So, let's go on to Item 11, Alternative Energy
22 Systems Consulting, Inc.; possible approval of agreement
23 ARV-12-013 with Alternative Energy Systems Consulting for
24 \$69,446.

25 And Aida Escala, please.

1 MS. ESCALA: Good morning. I'm Aida Escala from
2 the Emerging Fuels and Technologies Office. With me is Mr.
3 Ron Ishii, the President of Alternative Energy Systems
4 Consulting.

5 Alternative Energy Systems Consulting, or AESC,
6 is a California small business enterprise. It will install
7 and demonstrate five RWE Level 2 E-station Smart Systems at
8 the University of California, San Diego, to expand electric
9 vehicle charging infrastructure for UCSD-owned or leased
10 electric vehicles.

11 The charging stations will also serve UCSD
12 students and the public.

13 The project will support UC San Diego in its goal
14 to have the largest, most diversified portfolio of electric
15 vehicle charging stations at any university in the world.
16 The campus has received funding from the State of
17 California and the Federal American Recovery and
18 Reinvestment Act for 56 stations.

19 UCSD operates more than 800 campus vehicles, of
20 which 40 percent have been converted to near zero emission
21 vehicles. More than half of its commuters use an
22 alternative form of transportation.

23 The project will provide improved Level 2
24 charging access to UCSD electric vehicles in order to gain
25 operational experience at the fleet level with innovative

1 EV charging systems.

2 It will reduce the UCSD's fleet petroleum
3 consumption and GHG emissions and measure results.

4 Match was not required for this category, in this
5 solicitation, but AESC will provide a cost share of 34
6 percent of the total project cost.

7 Mr. Ron Ishii will say a few words about the
8 project.

9 MR. ISHII: Chairman and Commissioners, I'm Ron
10 Ishii. I'm President of Alternative Energy Systems
11 Consulting and we're a California small business.

12 I have a couple comments about the project.
13 First of all, I want to extend our gratitude for the
14 funding for the project and that's on behalf of our project
15 team with UCSD and RWE.

16 Aida has already mentioned about the really
17 unprecedented infrastructure that this will be able to
18 support at UCSD for electric vehicles.

19 One other aspect of that is the educational and
20 research aspect. UCSD does a tremendous amount of research
21 in micro grid and alternative energy systems and this will
22 afford an opportunity not only to understand the operations
23 of a more dense electric vehicle infrastructure, but also
24 to look at aspects of grid integration within their own
25 micro grid and the larger grid of SDG&E.

1 And I just want to thank you, and thank you very
2 much.

3 CHAIRPERSON WEISENMILLER: Any questions or
4 comments?

5 COMMISSIONER MC ALLISTER: So, congratulations on
6 a good proposal and I think it's -- in that context of UC,
7 I've visited there a number of times in my previous
8 incarnations and also as a Commissioner, and just the
9 breadth, and scope, and sort of integrated way of all the
10 work that they're doing, that they're putting it together
11 in a way that I think just has a lot of -- a lot to teach
12 the rest of us; a lot to teach the broader world of
13 California, and beyond, about how complex energy systems
14 can be managed, and developing technology.

15 And like you said, in the educational realm
16 that's really important.

17 And in fact, the students there are utilizing
18 cutting edge technology to do pretty amazing things and
19 that's an incredibly -- it's a very cost-effective
20 investment to engage students, but it also really
21 guarantees that you're going to get some innovation at a
22 caliber school like UCSD.

23 So, I really think that it's a great Petri dish,
24 a very fertile ground for this sort of thing. And this
25 project also fits within the broader set of activities

1 there in addition to doing all the wonderful things that we
2 know needs to be done for the EV infrastructure
3 development.

4 So, I'm very supportive of this project.

5 COMMISSIONER PETERMAN: And I'll also just add,
6 on another note, that it's also good to see these funds
7 being leveraged and utilized in conjunction with other
8 funds that have been made available, and glad the State can
9 play a role.

10 I had my first visit to the campus last week and,
11 again, was impressed by its beauty, as well as the
12 excitement around clean energy issues from the students.

13 And so as Commissioner McAllister noted, this is
14 another -- it would be a good addition to the comprehensive
15 work and education you're already doing around electric
16 vehicles and clean transportation.

17 So, if there are no other items I will move -- or
18 comments, I will move Item Number 11.

19 COMMISSIONER MC ALLISTER: I'll second.

20 CHAIRPERSON WEISENMILLER: All those in favor of
21 Item Number 11?

22 (Ayes)

23 CHAIRPERSON WEISENMILLER: Item Number 11 passed
24 unanimously.

25 Thanks for being here.

1 MS. ESCALA: Thank you.

2 CHAIRPERSON WEISENMILLER: Okay. And Item Number
3 12 is Department of General Services, possible approval of
4 agreement ARV-12-011; California Department of General
5 Services' Office of Fleet and Asset Management for \$41,475.
6 This is, again, ARFVTP funding.

7 And Aida Escala again, please.

8 MS. ESCALA: Okay, good morning. I'm Aida Escala
9 with the Emerging Fuels and Technologies Office.

10 The California Department of General Services'
11 Office of Fleet and Asset Management, or OFAM, plans to
12 expand its electric charging network in Sacramento from 24
13 chargers to 33.

14 OFAM will install nine Coulomb Level 2 charging
15 stations at the Sacramento State Garage.

16 OFAM will procure ten electric vehicles that will
17 be available to State agencies and employees for business
18 trips through the State Rental Pool.

19 The charging network is interconnected with
20 Coulomb's Charge Point Management System that will allow
21 OFAM to collect data, control access, regulate charging and
22 develop reports.

23 This project will help DGS comply with Governor
24 Brown's Executive Order D-16-12, issued on March 23, 2012,
25 ordering the California State vehicle fleet increase the

1 number of its zero emission vehicles through the normal
2 course of fleet replacement so that at least ten percent of
3 fleet purchase of light-duty vehicle be zero emission by
4 2015 and at least 25 percent of fleet purchases be zero
5 emission by 2020.

6 For the past two decades DGS's Office of Fleet
7 and Asset Management has used its rental car fleet to
8 promote new vehicle technology to State employees and to
9 the public.

10 It has introduced methanol, propane, battery
11 electric, compressed natural gas, plug-in hybrid electric,
12 hydrogen fuel cell and ethanol vehicles to the State fleet.

13 OFAM plans to reintroduce electric vehicles to
14 the State fleet.

15 Match was not required for this funding category
16 in the solicitation, but DGS will provide a match of 90
17 percent.

18 CHAIRPERSON WEISENMILLER: Thank you.

19 Any questions or comments?

20 COMMISSIONER PETERMAN: I'll just comment. In
21 line with all the other items considered today, this helps
22 to expand the infrastructure to a wider base and will help
23 the State in terms of savings on fuel cost, as well as was
24 noted by Aida, provides a demonstration opportunity, and
25 opportunity for us to kind of walk the talk. So, I'm

1 supportive of this item.

2 So, if there are no other questions, I will move
3 Item 12.

4 COMMISSIONER DOUGLAS: Second.

5 CHAIRPERSON WEISENMILLER: Okay, all those in
6 favor of Item 12?

7 (Ayes)

8 CHAIRPERSON WEISENMILLER: Item 12 passed
9 unanimately.

10 Thanks again, Aida.

11 MS. ESCALA: Thank you.

12 CHAIRPERSON WEISENMILLER: Item 13, Minutes.

13 COMMISSIONER DOUGLAS: Move approval of the
14 Minutes.

15 COMMISSIONER MC ALLISTER: I'll second.

16 CHAIRPERSON WEISENMILLER: All those in favor?

17 (Ayes)

18 CHAIRPERSON WEISENMILLER: The Minutes have been
19 approved.

20 Item 14, Lead Commissioner or Presiding Member
21 Reports.

22 COMMISSIONER PETERMAN: I had the opportunity to
23 speak at a conference on distributed generation at UC San
24 Diego's Law School last week and I enjoyed it. I debuted
25 some new material.

1 I had the opportunity, because it was an academic
2 institution, I took some time in my speech to talk about
3 kind of the history of the electricity industry and how if
4 you look at it through the lens of distributed generation,
5 we have increasingly moved into an environment that's more
6 inviting for DG.

7 But it's interesting, when you look at the
8 history, we started off, initially, as a distributed
9 generation system, you know, incandescent lamps and such.
10 And even electric vehicles, you know, the first commercial
11 electric vehicle demonstration was in 1897, in New York,
12 and it was New York taxi cabs.

13 And for those who have been following our
14 business meetings, I think a couple of business meetings
15 ago we approved some funding for the Bay Area Air Quality
16 District to do a demonstration of electric taxi cabs.

17 And so, in some ways it seems like we are going
18 in full circle but, hopefully, with better technology.

19 And so it was a good opportunity to reach out
20 with some stakeholders I normally don't engage in, in the
21 Southern part of our State.

22 CHAIRPERSON WEISENMILLER: You know --

23 COMMISSIONER PETERMAN: Oh, can I just mention
24 one other thing?

25 CHAIRPERSON WEISENMILLER: Sure.

1 COMMISSIONER PETERMAN: Oh, and I just want to
2 mention another thing that happened on that Friday was that
3 I have been elected as Chair of the Plug-In Electric
4 Vehicle Collaborative, taking over as Chair from a former
5 Commission, Jim Boyd. And the Collaborative also hired a
6 new Executive Director. Current Senator Chris Kehoe will
7 be taking on that assignment, and so I'm looking forward to
8 working with her in my capacity as Chair, and generally
9 with all the stakeholders in terms of implementing the
10 Governor's Zero Emission Vehicle Plan.

11 CHAIRPERSON WEISENMILLER: Great,
12 congratulations.

13 A couple things, last Friday I attended and spoke
14 at the California Energy Efficiency Industry Council's
15 annual meeting. It's a group that's been -- a trade
16 organization that's been formed to really lobby for energy
17 efficiency.

18 There was a good gathering of folks. Sort of I
19 spoke and Senator DeLeon spoke about Prop. 239, so it was
20 certainly interesting to get his perspective on that.

21 And on the San Onofre issues, the two things I
22 was going to flag, generally, for the other Commissions is,
23 one, last week the NRC acted on the Friends of the Earth
24 Petition, which basically asked the NRC to go to license
25 amendment hearings. There were sort of a series of

1 motions, I should say but, you know, again the first one
2 was really that. There were others, like a stay, which are
3 not ripe, and the NRC decided those weren't ripe.

4 But the NRC did put the request on whether this
5 be a license amendment, which basically would be a year
6 plus of public hearings, or whether it would be continue on
7 a track of technical review, which is more on a matter of
8 months.

9 And they referred that to the Atomic Safety
10 Licensing Board for their determination on whether this
11 would constitute a license amendment.

12 At the same time, there's a parallel group at the
13 NRC looking at the same issue.

14 I think the conclusions, at least from the prior
15 chair, when we talked about it, was that going forward the
16 types of changes that would done there would trigger a
17 license amendment. But in terms of for this particular
18 Unit 2, whether per se you go in that direction or continue
19 under the old regulatory regime is the issue confronting
20 the NRC.

21 I'd also note the NRC was going to have a
22 workshop in or around San Onofre next Friday to get
23 public -- for the NRC staff and Edison to have a technical
24 dialogue on Edison's letter, but they have postponed that.
25 They're having difficulties finding a hotel in that

1 vicinity which is, A, large enough, but B, would accept the
2 likely large, potentially noisy crowd on a Friday evening.

3 So, anyway, that presumably will be rescheduled,
4 but Rob has been spared a trip down next Friday evening
5 between -- what was it, six -- well, actually, I think they
6 were expecting it to go a long time. So, anyway, starting
7 at 6:00 and closing at some point that evening.

8 But, presumably, when it is rescheduled we will
9 have a presence there.

10 COMMISSIONER DOUGLAS: I have no report today.

11 COMMISSIONER MC ALLISTER: So, I had the -- last
12 week I had the last opportunity to -- I didn't get to catch
13 Carla's -- or Commissioner Peterman's presentation, but I
14 did sit on some of that about DG and the legal landscape,
15 and thought it was actually very -- it was happening in San
16 Diego and I was generally down there on Friday, so I went
17 over and it was actually very useful.

18 And I think there were a lot of -- a lot of
19 engaged folks down there are thinking about this issue in a
20 very productive way. And, actually, that legal perspective
21 is something that, you know, those of us that come from the
22 engineering side don't probably think about the right way,
23 so it made me appreciate the sort of rigor that the legal
24 perspective provides and that we get from our legal office
25 here.

1 In general, for the last month I feel like I'm
2 preparing for new things. One, Commissioner Peterman ceded
3 the natural gas policy area to me and I really want to
4 thank you for all the great work that she did, and clearly
5 had a big impact on staff in helping -- helping keep things
6 moving in a direction that -- well, just in a good
7 direction.

8 And I'm looking forward to picking up that. And
9 I've been getting lots of briefings about the natural gas
10 marketplace, which has been extremely helpful.

11 And there's some interesting issues there.
12 Obviously, fracking being kind of number one.

13 But the market dynamics are something that I
14 think are not -- they're not intuitive if you're not
15 embedded in it every day, so I think understanding that
16 longer term is going to help me lead that policy team.

17 And then, also, just getting ready to take the
18 baton on the IEPR and move forward on the 2013 IEPR, and
19 working with staff to get the scope ready for that.

20 And I've been reaching out to a number of
21 stakeholders in the energy efficiency and demand response
22 area to figure out what a good scope for that discussion
23 within the IEPR might be.

24 So, I'm really looking forward to having a good
25 discussion on demand side resources as a complement to the

1 forecasting and the more traditional generation side. And
2 I think the time is ripe to have that discussion in the
3 IEPR. With the SONGS out in the south, and the various
4 local areas that are impacted by that, it's really
5 important to sort of have everything on the table, figure
6 out what we can -- what's real, what needs to happen to
7 make it more real and reliable as a resource.

8 So, we have a lot of options at our disposal.
9 Some of them are pretty new and need some vetting, some
10 pretty hard vetting.

11 And the IEPR, I think, is a good place to have
12 that, to facilitate that conversation among the agencies
13 and the other stakeholders.

14 So, just broadly, those are a couple of things
15 that are moving in a good direction at the moment.

16 CHAIRPERSON WEISENMILLER: Great.

17 So, Item 13 -- or 15, excuse me, Chief Counsel's
18 Report.

19 MR. LEVY: Good morning Commissioners. I'd like
20 to request a Closed Session to discuss facts and
21 circumstances that constitute a significant exposure to
22 litigation against the Commission.

23 CHAIRPERSON WEISENMILLER: Great. We'll schedule
24 that -- I was going to say, I'm trying to figure out
25 whether we start at noon or start at 12:15. So, we'll

1 start at noon.

2 Okay, 16, Executive Director's Report.

3 MR. OGLESBY: I have two items. The first one
4 relates to the Clean Energy Business Financing Program,
5 where the Commission directed me to approve or disapprove
6 any requests by borrowers to acquire additional debt.

7 And we had such a request from the Solaria
8 Corporation on October 15th. We had our financial adviser
9 evaluate the request and provided us a recommendation that
10 it be approved.

11 Based on that recommendation, on behalf of the
12 Energy Commission, I approved the Solaria Corporation's
13 request to obtain up to \$6 million in additional debt to
14 originate from multiple bridge loans from multiple lenders.

15 It was conditioned that all the additional debt
16 be fully subordinated to the Energy Commission in both
17 collateral and payment. So, that's the update on that.

18 The second item I have for you is to let you know
19 that tomorrow I'll be joined with our Senior Fuels Analyst,
20 Gordon Schremp, to testify before the Senate Select
21 Committee on Bay Area transportation, on refineries, system
22 reliability, gas prices, and the economy.

23 And this originated from the recent, but not
24 concluded, in the spike in the price of gasoline in the
25 State of California, which arose as a result of some

1 simultaneous refinery outages.

2 Prices now are more or less back to normal, back
3 to where they were before the spike.

4 And the Committee, which is Chaired by Senator
5 Leno, wants to review the status of refineries and what are
6 the circumstances that led to the price spike, and explore
7 some of the consequences and options available.

8 CHAIRPERSON WEISENMILLER: Thank you.

9 So, 17, the Public Adviser's Report.

10 MS. JENNINGS: I have nothing to report. Thank
11 you.

12 CHAIRPERSON WEISENMILLER: Item 18, any public
13 comment?

14 Okay, so we're going to go into Executive Session
15 now. Thank you.

16 I will assume we'll be back from the Executive
17 Session somewhere between 1:00 and 1:30.

18 (The Executive Session was held at 11:39 a.m.)

19 (The Public Session resumed at 1:58 p.m.)

20 CHAIRPERSON WEISENMILLER: This is the Chairman;
21 we're back in session from our Executive Session.

22 Do you have public comment?

23 Okay, then this meeting is adjourned.

24 (Whereupon, at 1:59 p.m., the business
25 meeting was adjourned.)