

STATE OF CALIFORNIA
California Energy Commission
Minutes of the February 13, 2013, Energy Commission Business Meeting

The meeting was called to order by Chair Robert B. Weisenmiller. The Pledge of Allegiance was led by Chair Weisenmiller.

Present:

Robert B. Weisenmiller, Chair
Karen Douglas, Commissioner

J. Andrew McAllister, Commissioner

Chair Weisenmiller commented on the recent appointments of David Hochschild and Janea Scott to the Energy Commission.

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. CROWE HORWATH LLP. Possible approval of Amendment 4 to Agreement 150-09-004 for a 3-month no-cost time extension to June 30, 2013. This extension will allow the contractor to perform audits of Phase 2 Block Grant projects and complete a lessons learned analysis of the program. There is no change to the scope of work or amount of the agreement. (ARRA funding.) Contact Mark Hutchison.
 - b. BUILDING MEDIA INCORPORATED. Possible approval of Amendment 2 to Agreement 400-08-004 with Building Media Incorporated (BMI) to extend the term by 9 months and add \$11,250 to continue hosting and maintaining the Energy Commission's Online Learning Center consistent with the 2008 Building Energy Efficiency Standards which will be in effect until December 31, 2013. (ERPA funding.) Contact Suzie Chan.
 - c. WESTERN INTERSTATE ENERGY BOARD. Possible Approval of Contract 150-12-006 for \$54,000 with the Western Interstate Energy Board. This is an annual membership at \$18,000 per year for three years. (ERPA funding.) Contact: Clare Laufenberg.
 - d. SAN DIEGO GAS AND ELECTRIC COMPANY. Possible approval of Amendment 3 to Contract 500-08-025 with San Diego Gas and Electric Company. The amendment to this 46-month agreement will remove key partners from the scope of work, reallocate funds in the budget, and will add subcontractors to the contract. The amendment will align the contract tasks and budgets with an associated US Department of Energy (DOE) American Recovery and Reinvestment Act (ARRA) contract to finish the work for the Borrego Springs microgrid demonstration project in the remaining time available. (PIER electricity funding.) Contact: Jamie Patterson.
 - e. REGENTS OF THE UNIVERSITY OF CALIFORNIA. Possible approval of Amendment 1 to Agreement 500-10-007 with the Regents of the University of California on behalf of the California Institute for Energy and Environment for a 12-month no-cost extension to February 25, 2014, and to update the terms and conditions. The extension will allow Cal-Adapt to continue to operate and provide

the same level of services for a longer timeframe. (PIER electricity funding.)
Contact: Guido Franco.

- f. SIMBOL, INC. Possible approval of Amendment 1 to Agreement PIR-10-059 with Simbol, Inc. for a 12-month no-cost time extension. The grant recipient faced delays in receiving geothermal brine for use in developing the process for lithium extraction causing delays in completing several tasks. (PIER electricity funding.) Contact: John Hingtgen.
- g. GREAT CIRCLE INDUSTRIES. Possible approval of Amendment 1 to Agreement PIR-11-011 with Great Circle Industries, Inc. for a budget reallocation. This Amendment will correct an overhead calculation, reallocate contractor funds, and also add two subcontractors to the budget. This amendment does not change the total amount of the grant. (PIER electricity funding.) Contact: Heather Bird.

Commissioner McAllister moved and Commissioner Douglas 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. HIDDEN HILLS SOLAR ELECTRIC GENERATING SYSTEMS (11-AFC-2). Possible appointment of an associate member for the Energy Commission Siting Case Committee for the Hidden Hills Solar Electric Generating Systems application for certification. Contact: Ken Celli. (5 minutes)

Chair Weisenmiller appointed David Hochschild as Associate Member of the siting committee for the Hidden Hills Solar Electric Generating System project. Commissioner Douglas moved and Commissioner McAllister seconded approval of the appointment. The vote was unanimous. (3-0)

- 4. 2012 INTEGRATED ENERGY POLICY REPORT UPDATE. Possible adoption of the *Final Lead Commissioner 2012 Integrated Energy Policy Report Update*. Contact: Suzanne Korosec. (20 minutes)

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

- 5. CONSOL HOME ENERGY EFFICIENCY RATING SERVICES, INC. (CHEERS). Possible approval of CHEERS as a Home Energy Rating System (HERS) Provider to oversee HERS Raters conducting field verification and diagnostic testing to show compliance with the 2008 Building Energy Efficiency Standards on Residential Newly-Constructed Buildings. Contact: Jim Holland. (20 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of CHEERS as a HERS Provider. The vote was unanimous. (3-0)

- 6. FINAL EVALUATION REPORT: COMPLIANCE OPTION FOR AN ALTERNATIVE TO TEMPERATURE MEASUREMENT ACCESS HOLES. Possible approval of Proposed Compliance Option for an Alternative to the use of Temperature Measurement Access Holes for showing compliance with the Compliance Options procedures in Section

10-109 of the current *Building Energy Efficiency Standards*. Contact: David W. Ware. (5 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of the proposed compliance option. The vote was unanimous. (3-0)

7. IVANPAH SOLAR ELECTRICAL GENERATING SYSTEM (07-AFC-5C). Possible approval of a Petition to Amend the California Energy Commission Decision to allow the project to pay advanced mitigation fees to the California Department of Fish and Wildlife (CDFW) for acquisition and/or restoration of habitat under CDFW's Advanced Mitigation Land Acquisition Grants program. Contact: Joseph Douglas. (10 minutes)

Items 7 and 8 were considered together.

8. IVANPAH SOLAR ELECTRICAL GENERATING SYSTEM (07-AFC-5C). Possible approval of a Petition to Amend the California Energy Commission Decision to allow the project to make equipment changes to achieve more effective and efficient project operations. Contact: Joseph Douglas. (10 minutes)

Commissioner Douglas moved and Commissioner McAllister seconded approval of Items 7 and 8. The vote was unanimous. (3-0)

9. BIENNIAL AMENDMENTS TO CONFLICT OF INTEREST REGULATIONS. Possible adoption of amendments to update the Energy Commission's conflict of interest regulations. The regulations specify which employees must file an annual Form 700 Statement of Economic Interests, and which interests they must report. The Fair Political Practices Commission requires state agencies to review and update employee classifications every two years. Contact: Robin Mayer. (5 minutes)

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

10. SIERRA RESEARCH. Possible approval of Contract 600-12-006 for \$534,483 with Sierra Research to complete a Motor Vehicle Attributes Survey and Analysis to provide projections of vehicle technology input data for the personal vehicle choice model to support Energy Commission forecasts of transportation energy demand for the 2013 and 2015 Integrated Energy Policy Reports. (ERPA funding.) Contact: Laura Lawson Graber. (5 minutes)

Item 10 was withdrawn from the agenda.

11. U. C. IRVINE. Possible approval of Amendment 1 to Contract 600-10-002 with the Regents of the University of California on behalf of the Irvine Campus to add \$765,000 and extend the term by 12 months. This contract augmentation will enhance the Spatially and Temporally Resolved Energy and Environment Tool (STREET) by establishing comprehensive high-resolution infrastructure and web-based user capabilities for alternative fuels. (ARFVTP funding.) Contact: Tobias Muench. (5 minutes)

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

12. ESLINGER BIODIESEL, INC. Possible approval of Agreement ARV-12-026 for a grant to Eslinger Biodiesel, Inc. for \$6 million to build a commercial biodiesel production facility in Fresno. The Phase 1 proposed \$32 million refinery will be fully operational within 12 months of funding, producing 5 million gallons/year of high quality B100 from animal fats and waste vegetable oils. The entire output will be pre-sold to companies

obligated to purchase carbon credit off-sets and shipped by pipeline for commercial blending. (ARFVTP funding.) Contact: Akasha Kaur Khalsa. (5 minutes)

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

13. CALIFORNIA AIR RESOURCES BOARD. Possible approval of Contract 600-12-004 for an interagency agreement with the California Air Resources Board in the amount of \$4.5 million to provide funding for the Clean Vehicle Rebate Project for qualified electric drive vehicles. (ARFVTP funding.) Contact: Jennifer Masterson. (5 minutes) Moved to February 28, 2013, agenda.

Item 13 was withdrawn from the agenda.

14. ALTERNATIVE AND RENEWABLE FUEL ELECTRIC VEHICLE SUPPLY EQUIPMENT. Possible approval of a total of \$2,150,000 for purchase and installation of electric vehicle supply equipment. The goal of these projects is to expand the network of electric vehicle charging infrastructure in California, collect and analyze operational data for economic and environmental impacts, and contribute to emissions reductions. (ARFVTP funding.) Contact: Aida Escala (5 minutes)
 - a. AEROVIRONMENT, INC. (ARV-12-016) in the amount of \$75,000 to supply and install two level 2 electric vehicle charging stations at two YMCA locations in San Diego, CA. These two charging locations will be used by customers of Car2Go, an electric vehicle carshare program provider.
 - b. AEROVIRONMENT, INC. (ARV-12-017) in the amount of \$75,000 to supply and install two level 2 electric vehicle charging stations at two apartment buildings in San Diego, CA. These two charging locations will be used by customers of Car2Go, an electric vehicle carshare program provider.
 - c. AEROVIRONMENT, INC. (ARV-12-023) in the amount of \$2,000,000 to provide 770 residential level 2 electric vehicle charging stations in both single family and multi-unit dwellings throughout California.

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

15. CITY OF YUCAIPA. Possible approval of Agreement ARV-12-030 with the City of Yucaipa for a grant of \$75,000 to construct, maintain and operate eight workplace level 2 electric vehicle charging stations at three locations in Yucaipa, CA, San Bernardino County. Match share funding of \$18,511 will be provided by the City of Yucaipa. (ARFVTP funding.) Contact: Isaiah Larsen. (5 minutes)

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

16. BLUE LINE TRANSFER, INC. Possible approval of Agreement ARV-12-031 for a grant of \$2,590,929 to Blue Line Transfer, Inc. to build an anaerobic digestion facility in South San Francisco that will convert 9,000 tons per year of food and green waste into 56,000 diesel equivalent gallons (DGE) per year of biomethane. The biomethane produced will be cleaned and compressed to produce CNG for a fleet of five refuse and recycling collection vehicles. The project is estimated to create 15 jobs, of which three will be full time positions. (ARFVTP funding.) Contact: Hieu Nguyen. (5 minutes)

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

17. PASO ROBLES WASTE & RECYCLE. Possible approval of Agreement ARV-12-029 with Paso Robles Waste & Recycle for a grant of \$300,000 to build a new, state-of-the-

art compressed natural gas (CNG) refueling station to service a new fleet of CNG refuse haulers as well as provide public fast-fill fueling capabilities. A total of 50,400 DGEs of fuel will be displaced annually by the project's initial five haulers. The implementation of this project will support the creation and retention of an estimated 30 direct and indirect jobs. (ARFVTP funding.) Contact: Hieu Nguyen. (5 minutes)

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

18. CALSTART, INC. Possible approval of Amendment 1 to agreement ARV-11-014 with CALSTART, Inc. to: remove the previously approved Caterpillar mini excavator project; replace the San Francisco Airport Commission with Ballard Power Systems as project lead for the fuel cell bus project; approve budget reallocations; and extend the agreement end term date to March 31, 2017. In addition, the amendment will augment the grant with an additional \$3,523,498 to fully fund the existing Transportation Power project and add two new projects: the Volvo Technology of America - Plug-in Hybrid Electric Vehicle (PHEV) Drayage Truck with a 10 mile Zero Emissions (ZE) Range project; and the Artisan Vehicle Systems Drayage Truck project. (ARFVTP funding.) Contact: Eric VanWinkle. (5 minutes)

Commissioner Douglas moved and Commissioner McAllister seconded approval of Item 18. The vote was unanimous. (3-0)

19. CITY COLLEGE OF SAN FRANCISCO. Possible approval of Agreement 002-12-ECD for a \$2,961,045 Energy Conservation Assistance Account (ECAA) loan at one percent interest to the City College of San Francisco (College) for energy efficiency measures at the College facilities. Based on the loan amount, the simple payback is 8.1 years. The College expects to receive approximately \$314,268 in utility incentives from Pacific Gas and Electric. The project will save 997,871 kWh of electricity and \$365,500 in utility expenses annually. The simple payback is 8.1 years based on loan amount. (ECAA funding.) Contact: Shahid Chaudhry. (5 minutes)

Item 19 was withdrawn from the agenda.

20. CITY OF PATTERSON. Possible approval of Agreement 003-12-ECD for a \$2,876,172 ECAA loan at one percent interest to the City of Patterson for renewable energy generation and energy efficiency measures at city-owned facilities. The project will save an estimated 2.1 million kWh of electricity and \$221,244 in utility expenses annually. The simple payback is 13 years based on the loan amount. (ECAA funding.) Contact: Shahid Chaudhry. (5 minutes)

Commissioner Douglas moved and Commissioner McAllister seconded approval of Item 20. The vote was unanimous. (3-0)

21. CITY OF SAN PABLO. Possible approval of Agreement 005-12-ECD for a \$1,141,738 ECAA loan to the City of San Pablo to fund the installation of three photovoltaic (PV) systems totaling 280 kWac. The rooftop and carport mounted PV systems will be installed at the City Hall, Police Station and the Senior Center buildings. The city expects to receive \$285,016 in California Solar Initiative rebates from Pacific Gas and Electric Company to fund the installation of these projects. The projects are estimated to save the city \$87,826 annually and have a simple payback of 13 years based on the loan amount. (ECAA funding.) Contact: Joseph Wang. (5 minutes)

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

22. CITY OF CALIFORNIA CITY. Possible approval of Agreement 006-12-ECD for a \$161,890 ECAA loan to the City of California City to install new energy efficient

heating, ventilation and air conditioning (HVAC) systems and new energy efficient lights at the City Hall, Police Station, Fire Station, City Yard, Airport, and Animal Control building. The city expects to receive approximately \$6,640 in utility incentives from Southern California Edison. The projects are estimated to save the city 99,954 kWh of electricity and \$16,189 in utility expenses annually. The simple payback is 10 years based on the loan amount. (ECAA funding). Contact: Joseph Wang. (5 minutes)

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

23. SANTA BARBARA COMMUNITY COLLEGE DISTRICT. Possible approval of Agreement 004-12-ECD for a \$750,000 ECAA loan to Santa Barbara Community College District to fund energy efficiency upgrades at Santa Barbara City College East and West Main Campuses. The district expects to receive approximately \$166,623 in utility incentives from Pacific Gas and Electric. The projects are estimated to save the district 694,261 kWh of electricity and \$97,197 annually. The simple payback is 7.7 years based on the loan amount. (ECAA funding.) Contact: Amir Ehyai. (5 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of Item 23. The vote was unanimous. (3-0)

24. NEWCOMB ANDERSON McCORMICK. Possible approval of contract 600-12-005 for \$638,189 to Newcomb Anderson McCormick to develop the California Public Facilities Energy Financing Partnership program. This project will improve the energy services performance contract model currently in use by the California Department of Corrections and Rehabilitation and expand this model for use at the California Community Colleges and local governments in California. (DOE grant funding.) Contact: Amir Ehyai. (5 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of Item 24. The vote was unanimous. (3-0)

25. ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANTS. Possible approval of an Energy Commission resolution directing the Executive Director to amend certain Energy Efficiency and Conservation Block Grant Phase 2 agreements, extending the term of these agreements by three months from March 13, 2013 to June 13, 2013. Contact: Amir Ehyai. (5 minutes)

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

26. SACRAMENTO MUNICIPAL UTILITY DISTRICT. Possible approval of Amendment 1 to Agreement ARV-10-003 to novate the agreement from Eurisko Scientific to the Sacramento Municipal Utility District. The remaining \$1,819,166 from the original grant of \$1,830,132 will be utilized by the Sacramento Municipal Utility District (SMUD) to facilitate completion of the project to conduct bench- and pilot-scale evaluation of anaerobic digestion. The Schedule of Products and Due Dates, Scope of Work, and Budget documents are also being revised accordingly. (ARFVTP funding.) Contact: Phil Cazal. (5 minutes)

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

27. **Minutes:** Possible approval of the January 9, 2013, Business Meeting Minutes.

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

28. **Lead Commissioner or Presiding Member Reports.** None

29. **Chief Counsel's Report:** None
30. **Executive Director's Report.** Executive Director Rob Oglesby gave the report.
31. **Public Adviser's Report.** None
32. **Public Comment:** None

Appearances:

Mr. Manual Alvarez, Southern California Edison
Ms. Jamie Asbury, Imperial Irrigation District
Mr. Charles Bachand, CalCERTS
Mr. Michael Bachand, President, CalCERTS
Mr. C. Anthony Braun, Imperial Irrigation District
Dr. Tim Brown, U.C. Irvine
Mr. Doug Button, President, Blue Line Transfer, Inc.
Mr. John Carrier, CH2M Hill
Mr. Doug Davis, Ivanpah Solar Electrical Generating System
Mr. John Flores (by telephone)
Ms. Lyn Harris Hicks, League of Women Voters (by telephone)
Mr. Mike Hodgson, Owner, CHEERS
Mr. Ian Hoover, Manager, Paso Robles Waste & Recycle
Mr. Michael Ippoliti, CalSTART
Mr. Jay Lenzmeier, CHEERS
Mr. Rick Moore, Total Compliance Management
Mr. George Nesbitt, Environment Design Building
Mr. Matt Sullivan, Newcomb Anderson McCormick
Ms. Valerie Winn, Pacific Gas and Electric Company

There being no further business, the meeting was adjourned at 12:42 p.m.

Respectfully submitted,

HARRIET KALLEMEYN
Secretary to the Commission