

STATE OF CALIFORNIA
California Energy Commission
Minutes of the May 14, 2014, Energy Commission Business Meeting

The meeting was called to order at 10:05 am by Chair Robert B. Weisenmiller. The Pledge of Allegiance was led by Chair Weisenmiller.

Present:

Robert B. Weisenmiller, Chair
Karen Douglas, Commissioner
Andrew McAllister, Commissioner

David Hochschild, Commissioner
Janea A. Scott, Commissioner

1. **CONSENT CALENDAR.** (Items on the Consent Calendar will be taken up and voted on as a group. A commissioner may request that an item be moved and discussed later in the meeting.)
 - a. **CITY AND COUNTY OF SAN FRANCISCO.** Proposed resolution approving the City and County of San Francisco's locally adopted building energy standards that require greater energy efficiency than the 2013 Building Energy Efficiency Standards. Contact: Joe Loyer.
 - b. **MIDWAY SUNSET COGENERATION (85-AFC-3C).** Proposed order granting the petition to allow the divestiture of approximately 9,000 feet of the existing steam distribution system that is no longer needed to operate the Midway Sunset Cogeneration project. Contact: Mary Dyas.
 - c. **ITEM 10 MOVED TO CONSENT CALENDAR - CALIFORNIA ENERGY DEMAND 2014-2024 FINAL FORECAST.** Consideration and possible approval of: 1) technical corrections to the California Energy Demand 2014-2024 Final Forecast to reflect Additional Achievable Energy Efficiency estimates, and 2) delegation to the Executive Director or his delegate of approval of any additional corrections to the California Energy Demand 2014-2024 Final Forecast. The corrections are necessary to reflect adjustments the CPUC has made to its efficiency potential study and by extension to its 2014 Long-Term Procurement Plan and the California Independent System Operator's 2014-2015 Transmission Planning Process assumptions, while maintaining consistency with the single forecast agreement. Contact: Chris Kavalec and Caryn Holmes. (5 minutes)

Commissioner Douglas moved and Commissioner Hochschild seconded approval of the Consent Calendar. The vote was unanimous. (5-0)

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. **MIDWAY SUNSET COGENERATION (85-AFC-3C).** Possible approval of an order granting a petition to amend requesting to upgrade the existing DLN9 (Dry low-NOx) combustion systems of Unit A and Unit B to have the latest revision DLN1+TE combustion systems and additional administrative changes to update the Air Quality conditions of certification. Contact: Mary Dyas. (10 minutes)

Commissioner Douglas moved and Commissioner Hochschild seconded approval of Item 3. The vote was unanimous. (5-0)

4. INTEGRATED ENVIRONMENTAL SOLUTIONS (IES) 2013 NONRESIDENTIAL COMPLIANCE SOFTWARE (VE 2013, Title 24 Feature Pack). Proposed resolution approving Virtual Environment 2013 (VE 2013 Feature Pack for Title-24) as an alternative calculation method for demonstrating performance compliance with the nonresidential provisions of the 2013 Building Energy Efficiency Standards, California Code of Regulations, Title 24, Part 6, and associated administrative regulations in Part 1, Chapter 10 (Standards). This request is for the Full Approval of Virtual Environment 2013 Title-24 Feature Pack (VE 2013, Title-24, Feature Pack) by IES for demonstrating compliance with 2013 Standards (Public Resources Code Section 25402.1(a).) Contact: Martha Brook. (10 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of Item 4. The vote was unanimous. (5-0)

5. CALCERTS, INC. Proposed resolution approving CalCERTS as a Home Energy Rating System (HERS) provider for HERS Raters conducting field verification and diagnostic testing to demonstrate compliance with the 2013 Building Energy Efficiency Standards for newly constructed buildings and alterations to existing buildings and the CalCERTS HERS Data Registry as a residential data registry. Contact: Rashid Mir. (10 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of Item 5. The vote was unanimous. (5-0)

6. 2013 BUILDING ENERGY EFFICIENCY STANDARDS. (Information Item) Provide status of the launch of the 2013 Building Energy Efficiency Standards activities for July 1, 2014. Contact: Christine Collopy. (5 minutes)

Item 6 was informational presentation only. No action needed.

7. CALIFORNIA POLYTECHNIC STATE UNIVERSITY SAN LUIS OBISPO. Proposed resolution approving Agreement 003-13-ECA with California Polytechnic State University, San Luis Obispo campus for a \$3,000,000 loan at one percent interest for energy efficiency measures at the university campus. These measures include interior and exterior lighting measures, central plant measures, and transformer replacement measures. The project is estimated to save the university 3,227,583 kWh and 46,026 therms resulting in annual energy cost savings of \$350,051. The simple payback is 8.57 years based on the loan amount. (ECAA funding) Contact: Haile Bucaneg. (5 minutes)

Commissioner Scott moved and Commissioner Douglas seconded approval of Item 7. The vote was unanimous. (5-0)

8. SANGER UNIFIED SCHOOL DISTRICT. Proposed resolution approving Agreement 001-13-ECG with Sanger Unified School District for a \$1,242,492 loan at zero percent interest for energy efficiency measures at three of the school district's facilities. Based on the loan amount, the simple payback is approximately 10.3 years. The project will save approximately \$120,418 in utility costs and reduce greenhouse gas emissions by 317 tons of CO₂ equivalent annually. (ECAA-Ed funding) Contact: Jim Holland. (5 minutes)

Commissioner McAllister moved and Commissioner Scott seconded approval of Item 8. The vote was unanimous. (5-0)

9. CALIFORNIA CLEAN ENERGY JOBS ACT (PROPOSITION 39). (Information Item) Provide a status update of the California Clean Energy Jobs Act (Proposition 39) implementation and program launch. Contact: Marcia Smith. (5 minutes)

Item 9 was informational presentation only. No action needed.

10. CALIFORNIA ENERGY DEMAND 2014-2024 FINAL FORECAST. Consideration and possible approval of: 1) technical corrections to the California Energy Demand 2014-2024 Final Forecast to reflect Additional Achievable Energy Efficiency estimates, and 2) delegation to the Executive Director or his delegate of approval of any additional corrections to the California Energy Demand 2014-2024 Final Forecast. The corrections are necessary to reflect adjustments the CPUC has made to its efficiency potential study and by extension to its 2014 Long-Term Procurement Plan and the California Independent System Operator's 2014-2015 Transmission Planning Process assumptions, while maintaining consistency with the single forecast agreement. Contact: Chris Kavalec and Caryn Holmes. (5 minutes)

Item 10 moved to Consent Calendar.

11. ENERGY AND ENVIRONMENTAL ECONOMICS, INC. Proposed resolution approving Agreement 800-13-004 with Energy and Environmental Economics, Inc. (E3) for a \$125,000 contract to integrate specific technical data and analysis into the Greenhouse Gas Policy Analysis Tool (GPAT). The modules are part of a broader tool being developed for joint use by the Air Resources Board, California Public Utilities Commission, California Independent System Operator, and the California Energy Commission (Energy Principals) to examine pathways for achieving deep reductions in state greenhouse gas emissions. Deliverables will include: 1) transportation module inputs, 2) transportation scenarios and energy supply interactions, 3) bioenergy supply module and input data, and 4) bioenergy and other land use-related emissions module. (ERPA funding) Contact: Sylvia Bender. (5 minutes)

Commissioner Douglas moved and Commissioner McAllister seconded approval of Item 11. The vote was unanimous. (5-0)

12. APPLIANCE EFFICIENCY PROGRAM DATABASE MODERNIZATION. Proposed resolution approving Purchase Order 13-409.00-007 for a \$1,497,250 competitively bid contract with Trinity Technology Group for software development of a web-enabled Appliance Efficiency Database. Modernization of the 14-year old database software is necessary to maintain compatibility and functionality on modern computer systems. The modernized database will additionally allow for direct, online submittal of appliance data and program forms, perform automated error-checking, and communicate with similar databases used by federal programs. (PVEA funding) Contact: Peter Strait. (5 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of Item 12. The vote was unanimous. (5-0)

13. ANDES CONSULTING LLC. Proposed resolution approving Purchase Order 13-409.00-006 for \$350,000 to Andes Consulting LLC for programming services to design, develop, implement, test, and document software to automate the validation and in-house publishing of Quarterly Fuel and Energy Report consumption data and to train Energy Commission staff in the use of the enhanced system features. (ERPA funding) Contact: Steven Mac. (5 minutes)

Commissioner McAllister moved and Commissioner Scott seconded approval of Item 12. The vote was unanimous. (5-0)

14. MENDOTA BIOENERGY LLC. Proposed resolution approving Amendment 2 to Agreement ARV-12-033 with Mendota Bioenergy LLC to revise the scope of work, make minor budget revisions, and extend the term of the agreement by three months. The purpose of this amendment is to reduce the scale of the demonstration project to match the availability of the energy beet feedstock in 2014. The reduced scale will accommodate the original 12-month harvest schedule, and the resulting data will be

sufficient to demonstrate the feasibility of full scale commercial production of a beets-to-bioenergy facility. (ARFVTP funding) Contact: Bill Kinney. (5 minutes)

Commissioner Scott moved and Commissioner Douglas seconded approval of Item 12. The vote was unanimous. (5-0)

15. SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT. Proposed resolution approving Agreement 600-13-008 with South Coast Air Quality Management District for a \$2,000,000 contract to demonstrate prototype heavy-duty natural gas engines and exhaust after-treatment technologies in on-road heavy-duty vehicles. These vehicles are expected to lower emissions of nitrous oxides, carbon monoxide, particulate matter, and non-methane hydrocarbons. This agreement funds the integration and demonstration portion of the project and follows the Energy Commission's Energy Research and Development Division's award that funded engine research and development. (ARFVTP funding) Contact: Phil Cazal. (5 minutes)

Commissioner Scott moved and Commissioner Hochschild seconded approval of Item 15. The vote was unanimous. (5-0)

16. CITY OF VISALIA. Proposed resolution approving Agreement ARV-13-025 with the City of Visalia for a \$300,000 grant to upgrade the CNG fueling station located in Visalia, CA. The current station, while dependable, cannot adequately meet the increasing demand of the City refuse trucking, transit fleet, and expanding public and private fleets. The project includes additional time-fill stations for refuse truck refueling, upgrades to the hoses, valves and control system to improve flow rates, a new compressor, and dispenser upgrades to increase fleet card acceptance and improved consumer fueling experience. (ARFVTP funding) Contact: Michelle Tessier. (5 minutes)

Commissioner Scott moved and Commissioner McAllister seconded approval of Item 16. The vote was unanimous. (5-0)

17. CENTERS FOR ALTERNATIVE FUELS AND ADVANCED VEHICLE TECHNOLOGY GRANTS, PON-13-605. This grant solicitation sought proposals to develop new or expand existing centers within California to increase the market penetration of alternative fuels and advanced vehicle technologies. (ARFVTP funding) Contact: Michelle Tessier. (10 minutes)

- a. ECONOMIC DEVELOPMENT CORPORATION OF LOS ANGELES. Proposed resolution approving Agreement ARV-13-031 with Economic Development Corporation of Los Angeles (LAEDC) for a \$1,566,274 grant to create the Southern California Alternative Fuel and Advanced Vehicle Technology Centers. The recipient will develop two physical centers, in downtown Los Angeles and central San Diego, and one virtual center. The physical centers will facilitate regional coordination on alternative fuel and advanced vehicle technology in workforce development and planning through a series of coordinating councils and workshops. In addition, these centers will provide a central location for companies, researchers, and public agencies to collaborate on alternative fuels, technology development, intellectual property protection, prototyping and technological needs. The virtual center will provide public education opportunities about alternative fuels and advanced vehicle technologies and create a Research, Development and Demonstration Council to discuss upcoming trends in the development of technology.

Commissioner Scott moved and Commissioner Douglas seconded approval of Item 17a. The vote was passed. (4-0) Commissioner McAllister was absent for Item 17a.

- b. UNIVERSITY OF CALIFORNIA, BERKELEY. Proposed resolution approving Agreement ARV-13-021 with the Regents of the University of California on behalf of the Berkeley campus, for a \$1,566,667 grant to develop the Northern California Center for Alternative Transportation Fuels and Advanced Vehicle Technologies (North CAT), which will provide a physical and advanced web/internet-networked location for education, training, demonstration, and full-scale deployment of alternative transportation fuels and advanced vehicle technologies in the Northern California region. The center will bring together a cutting-edge team of leading organizations spanning the Northern California region with a wide coverage of advanced vehicle and alternative fuel training, outreach, and project development programs.

Commissioner Douglas moved and Commissioner McAllister seconded approval of Item 17b. The vote was passed. (4-0) Commissioner Scott was absent for Item 17b.

18. ELECTRIC VEHICLE CHARGING INFRASTRUCTURE GRANTS, PON-13-606.

This grant solicitation sought proposals to install electric vehicle charging infrastructure along California highway corridors, at destination locations, at workplaces, and at multi-family unit dwellings. (ARFVTP funding) Contact: Lindsee Tanimoto. (10 minutes)

- a. CLEAN FUEL CONNECTION, INC. Proposed resolution approving Agreement ARV-13-022 with Clean Fuel Connection, Inc. for a \$200,000 grant to install 50 Level 2 electric vehicle chargers at five Kaiser Permanente locations within California.
- b. BIO-RAD LABORATORIES, INC. Proposed resolution approving Agreement ARV-13-023 with Bio-Rad Laboratories, Inc. for a \$117,229 grant to install 21 single and dual port Level 2 electric vehicle chargers across 11 workplace locations.
- c. SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT. Proposed resolution approving Agreement ARV-13-026 with the South Coast Air Quality Management District for a \$500,000 grant to install six electric vehicle fast chargers in the South Coast Air Basin.
- d. REDWOOD COAST ENERGY AUTHORITY. Proposed resolution approving Agreement ARV-13-029 with Redwood Coast Energy Authority for a \$293,843 grant to install 10 publicly-accessible Level 2 electric vehicle chargers at nine destination and workplace sites in the Humboldt County region.
- e. CALIFORNIA EV ALLIANCE. Proposed resolution approving Agreement ARV-13-032 with California EV Alliance for a \$474,052 grant to install 37 Level 2 dual port electric vehicle chargers at approximately 19 sites in the North and East Bay of the San Francisco Bay Area.
- f. CALIFORNIA STATE UNIVERSITY, FRESNO FOUNDATION. Proposed resolution approving Agreement ARV-13-033 with California State University, Fresno Foundation for a \$397,074 grant to install four Level 2 electric vehicle chargers and two electric vehicle fast chargers at a university parking lot.
- g. CITY OF CORONADO. Proposed resolution approving Agreement ARV-13-035 with the City of Coronado for a \$123,100 grant to install 10 Level 2 electric vehicle chargers at two locations.

- ~~h. CITY OF TORRANCE. Proposed resolution approving Agreement ARV-13-036 with the City of Torrance for a \$405,940 grant to install DC fast chargers at six publicly accessible locations within the City to allow motorists to extend their mileage range.(See 18i.)~~
- i. CITY OF TORRANCE. Proposed resolution approving Agreement ARV-13-036 with the City of Torrance for a \$405,940 grant to install six electric vehicle fast chargers at public locations within the City to allow motorists to extend their mileage range.
- j. SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY. Proposed resolution approving Agreement ARV-13-038 with Southern California Public Power Authority for a \$500,000 grant to install four Level 2 electric vehicle chargers and nine electric vehicle fast chargers in various locations in the Southern California region.
- k. BAY AREA AIR QUALITY MANAGEMENT DISTRICT. Proposed resolution approving Agreement ARV-13-039 with Bay Area Air Quality Management District (BAAQMD) for a \$500,000 grant to install 12 Level 2 electric vehicle chargers and 10 electric vehicle fast chargers at key destination sites within BAAQMD's region.

Commissioner McAllister moved and Commissioner Scott seconded approval of Item 18. The vote was unanimous. (5-0)

19. HYDROGEN REFUELING INFRASTRUCTURE – OPERATION AND MAINTENANCE GRANTS, PON-13-607. This grant solicitation sought proposals for the installation of hydrogen refueling stations throughout California and to provide the necessary operation and maintenance funding to ensure hydrogen refueling stations are operational for the planned commercial launch of fuel cell vehicles in California beginning in 2015. (ARFVTP funding) Contact: Sarah Williams. (10 minutes)
- a. AIR LIQUIDE INDUSTRIAL US LP. Proposed resolution approving Agreement ARV-13-027 with Air Liquide Industrial US LP for a \$300,000 grant to cover operation and maintenance costs for the existing hydrogen refueling equipment and gather data about the equipment.
 - b. MEBTAHI STATION SERVICES, INC. Proposed resolution approving Agreement ARV-13-028 with Mebtahi Station Services, Inc. for a \$300,000 grant to cover operation and maintenance costs for the existing hydrogen refueling equipment and gather data about the equipment.
 - c. CSU LOS ANGELES UNIVERSITY AUXILIARY SERVICES, INC. Proposed resolution approving Agreement ARV-13-030 with California State Los Angeles University Auxiliary Services, Inc. for a \$300,000 grant to cover operation and maintenance costs for the existing hydrogen refueling equipment and gather data about the equipment.
 - d. H2 FRONTIER, INC. Proposed resolution approving Agreement ARV-13-034 with H2 Frontier, Inc. for a \$300,000 grant to cover operation and maintenance costs for the existing hydrogen refueling equipment and gather data about the equipment.

Commissioner Scott moved and Commissioner Douglas seconded approval of Item 19. The vote was unanimous. (5-0)

20. NATURAL GAS VEHICLE INCENTIVES. Proposed resolution approving \$48,000 in natural gas vehicle incentive reservations for Winner Chevrolet (OEM – General Motors Company) for eight natural gas vehicles of 8,501-16,000 pounds gross vehicle weight. (ARVFTP funding) Contact: Andre Freeman. (5 minutes)

Commissioner Scott moved and Commissioner Hochschild seconded approval of Item 20. The vote was unanimous. (5-0)

21. DOE-LAWRENCE BERKELEY NATIONAL LABORATORY. Proposed resolution approving Agreement 600-13-009 with the U.S. Department of Energy's Lawrence Berkeley National Laboratory for a \$2,300,000 contract to demonstrate integration of non-tactical electric vehicles with building energy loads at Moffett Field for participation in the California Independent System Operator Proxy Demand Resource Market. (ARFVTP funding) Contact: David Hungerford. (5 minutes)

Commissioner Scott moved and Commissioner McAllister seconded approval of Item 21. The vote was unanimous. (5-0)

22. JOINT RENEWABLE ENERGY AND ADVANCED GENERATION, AND ENERGY-RELATED ENVIRONMENTAL RESEARCH, DEVELOPMENT AND DEMONSTRATION GRANTS, PON-13-502. This grant solicitation sought proposals for research, development, and demonstration (RD&D) projects on renewable energy, advanced generation, and energy-related environmental research. (PIER natural gas funding) Contact: Michael Sokol. (10 minutes)
- a. UNIVERSITY OF CALIFORNIA, DAVIS. Proposed resolution approving Agreement PIR-13-001 with The Regents of University of California on behalf of the Davis campus, for a \$775,064 grant to identify biological and chemical hazards found in biogas/biomethane that have the potential to adversely impact air quality either in their unburned state or after their combustion.
 - b. ETAGEN, INC. Proposed resolution approving Agreement PIR-13-002 with EtaGen, Inc. for a \$796,247 grant to demonstrate an innovative free-piston compression ignition engine that will increase efficiency, reduce cost and reduce emissions in combined heat and power applications.
 - c. UNIVERSITY OF CALIFORNIA, LOS ANGELES. Proposed resolution approving Agreement PIR-13-003 with The Regents of the University of California on behalf of the Los Angeles campus, for a \$997,225 grant to pilot a combined heat and power cogeneration system that is capable of running on natural gas or renewable-based anhydrous ammonia and assess the viability of the technology as a localized, low-carbon source of energy capable of meeting South Coast Air Quality Management District (SCAQMD) emission standards.
 - d. UNIVERSITY OF CALIFORNIA, IRVINE. Proposed resolution approving Agreement PIR-13-004 with The Regents of the University of California on behalf of the Irvine campus, for a \$994,307 grant to demonstrate a low-cost micro-scale combined heat and power system based on a natural gas-fueled rotary engine at a Southern California laundry facility.
 - e. DESERT POWER, INC. Proposed resolution approving Agreement PIR-13-005 with Desert Power, Inc., for a \$800,000 grant to demonstrate a highly efficient combined heat and power (CHP) system at a poultry processing plant in Sanger, California. The CHP system will provide for the heating and chilling needs of the plant by incorporating a waste heat powered thermal heat pump resulting in improved efficiency and significant natural gas savings.

- f. CHA CORPORATION. Proposed resolution approving Agreement PIR-13-006 with CHA Corporation for a \$646,604 grant to demonstrate the integrated microwave technology for pre-and post-combustion NOx control of biogas-powered engines.

Commissioner McAllister moved and Commissioner Scott seconded approval of Item 22. The vote was unanimous. (5-0)

23. **Minutes:** Possible approval of the March 12, 2014, Business Meeting Minutes.

Commissioner Douglas moved and Commissioner McAllister seconded approval of the Minutes. The vote was unanimous. (5-0)

24. **Lead Commissioner or Presiding Member Reports.**

The Commissioners gave updates on their recent activities and site visits.

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

26. **Executive Director's Report.** Executive Director Rob Oglesby gave the report.

27. **Public Adviser's Report.** None.

28. **Public Comment:** None.

Appearances (*by telephone)

Mike Bachand, CalCERTS

*David Blekhman, UCLA

*Robert Boyd, VP at Fresno State

Rick Brown, Terra Verde

Chang Yul Cha, CHA Corporation

Jeff Cox, South Coast Air Quality Management District

*Gail Harootunian, Fresno State

*Barry Hooper, City and County of San Francisco

*Tim Lipman, University of CA - Berkeley

*Todd Lukesh, IES

*Timothy Moore, IES

*Dan Pope, H2 Frontier

*Carmen Quevedo, City of Visalia

Richard Sepulveda, Sanger USD

Kelly Sherfey, California Building Officials

*Peter Sinsheimer, UCLA

Patrick Splitt, APP-TECH, Inc

*Paul Staples, Hygen Industries

*Joanne Stewart LAEDC

*Craig Wheatley IES limited

Valerie Winn, PG&E

There being no further business, the meeting was adjourned at 2:45 pm..

Respectfully submitted,

LANA MCALLISTER
Acting Secretary to the Commission