



APPEARANCES

Commissioners Present

Robert B. Weisenmiller, Chair  
Karen Douglas  
David Hochschild  
Andrew McAllister

Staff Present

Kevin Bell, Senior Staff Counsel  
Jeff Ogata, Acting Chief Counsel  
Pippin Brehler, Legal Staff  
Alana Matthews, Public Advisor  
Drew Bohan, Executive Director  
Lisa De Carlo, Staff Attorney  
Gabe Herrera, Staff Attorney

Item No.

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| Mary Dyas              | 4  |
| Joseph Douglas         | 5  |
| Joan Walter            | 6  |
| Eddie Bernacchi (NECA) | 7  |
| Kevin Chou             | 8  |
| Suzanne Korosec        | 9  |
| Kate Zocchetti         | 10 |
| Andre Freeman          | 11 |
| Samuel Lerman          | 12 |
| Sharon Purewal         | 13 |
| Sarah Williams         | 14 |
| Sarah Williams         | 15 |
| Deborah Godfrey        | 16 |
| Deborah Godfrey        | 17 |
| Joseph Wang            | 18 |

Also Present (\* Via WebEx/Phone)

Interested Parties

Jane Luckhardt, Day, Carter & Murphy  
Dennis Champion, Day, Carter & Murphy  
Jeff Harris, Ellison, Schneider and Harris  
Samantha Pottenger, Ellison, Schneider and Harris  
Frank Carelli, Plant Manager, High Desert Project  
\*Brad Heisey, Senior Vice President, Tenaska  
Melissa Foster, Counsel for AES Southland  
Bernie Kotlier, Co-Founder and Co-Chair, California

Advanced Lighting Controls Training Program (CALCTP)  
APPEARANCES (Contin.)

Interested Parties

Kevin Dayton, Labor Issues Solutions, Roseville, on behalf  
Eddie Bernacchi, on behalf of the National Electrical  
Contractors Association (NECA)  
of National Lighting Contractors Association of America  
Mark Ouillette, ICF International  
Jack Yapp, Natural Lighting Contractors Association  
of America  
Robert Shearer, Training Consultant to California  
Electrical Training, representing NLCAA  
Justin Fanslan, on behalf of California State Association  
of Electrical Workers and Coalition of California  
Utility Employees  
Richard Markeson, Western Electrical Contractor's  
Association  
\*Mike Muston, Atoka Energy  
\*Rachel Terada, Center for Resource Solutions

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P R O C E E D I N G S

OCTOBER 7, 2014 10:11 a.m.

CHAIRMAN WEISENMILLER: We'll start. Good morning. Let's start the Business Meeting with the Pledge of Allegiance.

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

CHAIRMAN WEISENMILLER: Good morning. Let's start with the basics. So Item 2, no items, will be held for the next one. And Item 3 is being continued to the 29<sup>th</sup>, it is not up today.

So with that, let's go to the Consent Calendar.

COMMISSIONER DOUGLAS: Move the Consent Calendar.

COMMISSIONER MCALLISTER: Second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.) Consent Calendar passes 4-0.

CHAIRMAN WEISENMILLER: Let's go to Item 4. Elk Hills Power Plant Project, 99-AFC-1C. Staff.

MS. DYAS: Good morning, Commissioners. My name is Mary Dyas. I'm the Compliance Project

1 Manager for the Elk Hills Power Project. With me  
2 this morning is Senior Staff Counsel, Kevin Bell,  
3 and staff is also in attendance if questions are  
4 needed to be answered.

5           The Elk Hills Power Project is a natural  
6 gas-fired 500 megawatt cogeneration facility that  
7 was certified by the Energy Commission in December  
8 2000 and began commercial operation on July 23,  
9 2000. The Facility is located in Western Kern  
10 County, west of Bakersfield, near the community of  
11 Tuttman.

12           In 2011, staff approved a project  
13 modification allowing a portion of the steam  
14 generated by the Elk Hills Power Project be used  
15 for gas processing in the adjoining oil fields and  
16 thus allowing operation as a co-generation  
17 facility.

18           On July 31, 2014, the Elk Hills Power, LLC  
19 filed a petition with the Energy Commission to  
20 amend the Energy Commission decision for the Elk  
21 Hills Power Plant, requesting to modify Air  
22 Quality Condition of Certification AQ-11 to  
23 increase the allowable startup times from two  
24 hours to three hours for a regular startup, from  
25 six hours to seven hours for an extended startup,

1 and to add a one hour duration for an aborted  
2 shutdown.

3           There are no changes to any permitted  
4 emission limits being requested.

5           Condition of Certification AQ-13 limits  
6 hourly emissions during startup and shutdowns, and  
7 Condition of Certification AQ-14 limits total  
8 emissions per event for extended startups. These  
9 emission limits were previously used in the Air  
10 Quality Impact Assessment to determine that the  
11 project would comply with all ambient air quality  
12 standards. These emission limits, in addition to  
13 any hourly, daily, and annual emission limits,  
14 would remain unchanged.

15           A notice of receipt was mailed to the  
16 project Post-Certification Mail List, docketed,  
17 and posted to the Web on August 20, 2014. Staff's  
18 analysis of the proposed modification was mailed  
19 to interested parties and posted to the Web on  
20 September 3, 2014 for a 30-day comment period.  
21 The public comment period ended on October 3,  
22 2014, and no comments were received.

23           Staff recommends approval of the requested  
24 modification to allow an increase in startup  
25 durations and to add language that would allow the

1 Elk Hills Power Project to abort unnecessary  
2 shutdowns. There would be no change in permitted  
3 emission limits at the facility.

4 It is staff's opinion that with the  
5 implementation of Revised Condition of  
6 Certification AQ-11, the project will remain in  
7 compliance with applicable laws, ordinances,  
8 regulations and standards, and that the proposed  
9 modifications will not result in a significant  
10 adverse direct or cumulative impact to the  
11 environment pursuant to Title 20, Section 1769A of  
12 the California Code of Regulations. Thank you.

13 CHAIRMAN WEISENMILLER: Applicant?

14 MS. LUCKHARDT: Yes. Jane Luckhardt from  
15 Day, Carter & Murphy on behalf of Elk Hills Power,  
16 and also with me today is Dennis Champion and we  
17 would like to thank staff for their analysis and  
18 work on this amendment and request that you also  
19 support and approve the requested amendment.  
20 We're here to answer any questions anyone may  
21 have.

22 CHAIRMAN WEISENMILLER: Thank you.  
23 Commissioners, any questions or comments?

24 COMMISSIONER DOUGLAS: Just a brief  
25 comment. You know, I reviewed this amendment

1 closely, I think it's completely reasonable, and I  
2 think we should support it. So I'll move approval  
3 of this item.

4 COMMISSIONER MCALLISTER: I'll second.

5 CHAIRMAN WEISENMILLER: All those in  
6 favor?

7 (Ayes.) This item passes 4-0. Thank you.

8 CHAIRMAN WEISENMILLER: Let's go on to  
9 Item 5, High Desert Power Plant Project, 97-AFC-  
10 1C. Joe Douglas, please.

11 MR. DOUGLAS: Good morning, Commissioners.  
12 My name is Joseph Douglas. I'm the Compliance  
13 Project Manager for High Desert Power Project.  
14 With me this morning is Jeff Ogata, Assistant  
15 Chief Counsel, and engineering staff is available,  
16 as well.

17 High Desert Power Project is an 830  
18 megawatt natural gas-fired combined cycle power  
19 plant that was certified by the Energy Commission  
20 on May 3, 2000. It began commercial operation in  
21 April 2003. The facility is located adjacent to  
22 the Southern California Logistics Airport and the  
23 City of Victorville in San Bernardino County.

24 On July 21, 2014, High Desert Power Trust  
25 filed a petition with the California Energy

1 Commission requesting to modify High Desert to add  
2 an ultraviolet treatment system to the existing  
3 water treatment facilities and add an enhancement  
4 to the existing cold lime water softening system.  
5 The cold lime system would require a slight  
6 alteration to an existing structure and an  
7 additional tank to increase system efficiency.

8 All modifications will remain on existing  
9 asphalt surfaces surrounding the water treatment  
10 facility. According to the petition, these  
11 modifications will reduce water consumption and  
12 improve overall efficiency and reliability of High  
13 Desert.

14 Staff concluded that the proposed  
15 improvements would improve the ability of the  
16 project to use recycled water on a consistent  
17 basis.

18 This request was originally combined with  
19 the Alternative Water Supply Petition that was  
20 approved at the September 2014 Business Meeting,  
21 but it was separated to allow staff to focus on  
22 the UV and cold line proceeding. The Energy  
23 Commission approved the other petition which  
24 allowed the owner to use limited quantities of  
25 groundwater on a temporary basis, requiring the

1 owner to study the feasibility of using 100  
2 percent recycled water and prepare an amendment to  
3 switch to reliable water supplies to drought-proof  
4 the project.

5 Energy Commission staff evaluated the  
6 possible impacts from the proposed project and  
7 found that there is no possibility that the  
8 modifications may have a significant effect on the  
9 environment and the modifications will not result  
10 in a change or deletion of a condition adopted by  
11 the Commission in the Final Decision, or make  
12 changes that would cause the project not to comply  
13 with any applicable laws, ordinances, regulations,  
14 or standards.

15 As with all post-certification project  
16 modifications, all applicable conditions of  
17 certification continue to apply.

18 An analysis of the petition was docketed  
19 and posted to the Web on September 26, 2014 and  
20 mailed to the High Desert Post-Certification  
21 Mailing List on September 26, 2014. We have no  
22 received any comments to date.

23 Energy Commission staff reviewed the  
24 petition and finds that it complies with all  
25 requirements of Title 20, Section 1769A of the

1 California Code of Regulations and recommends  
2 approval of the proposed project modifications  
3 based on staff's findings. Thank you.

4 CHAIRMAN WEISENMILLER: Thank you.  
5 Applicant?

6 MR. HARRIS: Good morning. Jeff Harris  
7 here on behalf of the Applicant. To my right is  
8 Mr. Frank Carelli, Frank is the Plant Manager for  
9 the High Desert Project. Also on the phone is Mr.  
10 Brad Heisey, he's the Senior Vice President with  
11 Tenaska, and in the audience, as well, my  
12 colleague, Samantha Pottenger.

13 So thank you very much for the opportunity  
14 to be here. We agree with the staff's analysis  
15 and their presentation. These capital  
16 improvements will allow the project to more  
17 efficiently and reliability use its water supplies  
18 and recycled water, in particular, basically  
19 removing some bottlenecks in that system. I think  
20 it shows our ongoing commitment to use as much  
21 recycled water as feasible.

22 And one thing in terms of timing, I really  
23 want to thank the staff for getting this together  
24 for us. The approval today will allow us to do  
25 this work during the upcoming November outage, or

1 fall outage. If this state had slipped, we would  
2 have been looking at doing this work probably in  
3 May, so thank you to you and your staff for sort  
4 of rallying to make this happen in an appropriate  
5 way, and it's going to allow us to move forward.

6 So with that, I'll answer any questions  
7 you may have, and we also have other folks  
8 available. So thank you.

9 CHAIRMAN WEISENMILLER: Great. Thank you.  
10 Commissioners, any questions or comments?

11 COMMISSIONER DOUGLAS: So I have a  
12 question. You know, I've looked at this and  
13 substantively, I completely agree with staff's  
14 analysis and, you know, I think this is a  
15 reasonable thing and it will no doubt be helpful,  
16 although I'd like to hear a little more about two  
17 things, first of all, how this will help the power  
18 plant potentially use less groundwater, use more  
19 recycled water, and secondly, you know we spent in  
20 our last Business Meeting a long time on an  
21 amendment for this power plant, and I'm wondering  
22 why we're here again with another amendment in the  
23 next Business Meeting, so I'd appreciate it if you  
24 could fill me in on that.

25 MR. HARRIS: I'm going to turn to Frank to

1 answer the actual question, the tough question  
2 about how this will help the project operate more  
3 efficiently, and I'm glad to answer your second  
4 question, too, when he's done.

5 MR. CARELLI: Okay, the question really  
6 has a complicated answer, but I'll try to be brief  
7 and make it as simple as I can. But primarily our  
8 water treatment system is marginal, at best, for  
9 handling the plant when it's running at high  
10 capacity factors, and when the water quality is  
11 poorer than as designed for the plant to handle,  
12 which has been the case for the last few years due  
13 to drought conditions and so forth. We primarily  
14 use SWP water and we really don't use the  
15 groundwater unless that's not available, and the  
16 groundwater really that we do use is water that we  
17 embank, we filter SWP water and put it into the  
18 aquifer. So our intent is, again, to reuse as  
19 much reclaimed water as we can, SWP water if it's  
20 available, and groundwater only if it's an  
21 emergency. But to answer the question, primarily  
22 this will, as he said, de-bottleneck the treatment  
23 system and just through better treatment with  
24 these two capital projects. It will improve the  
25 overall and enhance the water treatment system

1 that we have.

2 MR. HARRIS: And with respect to your  
3 second question, these particular changes were  
4 filed in July as a request for staff approved  
5 modification. As you know at that time, the April  
6 amendment was pending. Staff made a decision to  
7 join these two together into one. For efficiency,  
8 we had a couple meetings where it looked like we  
9 were not going to be able to work out a reasonable  
10 compromise with staff, and so the issues were  
11 again separated. Lo and behold, we came together,  
12 happily, with staff on the changes, but they'd  
13 already been separated out, and so that's why  
14 we're back here a second time. They are separate  
15 issues, they really are different improvements for  
16 the project that will make it operate more  
17 efficiently. And as I mentioned, this gives us  
18 the opportunity by having it before you today, the  
19 opportunity to do this work in November during our  
20 fall outage, and not wait until May. And that  
21 will give us more data on the use of recycled  
22 water and the efficiencies of these systems.

23 COMMISSIONER DOUGLAS: All right, I don't  
24 have any more questions. So I'll move approval of  
25 this item. Do you have more questions?

1 CHAIRMAN WEISENMILLER: Actually just one  
2 second. So I'd gotten a notes from one of your  
3 folks on the line, Jeff, and I was assuming it was  
4 for questions as opposed to wanting to speak.

5 MR. HARRIS: Yeah, that's correct. Brad  
6 Heisey is on the phone and available.

7 COMMISSIONER MCALLISTER: I just wanted to  
8 follow-up a little bit on this. So as  
9 Commissioner Douglas said, we had a long  
10 conversation about this last month, and one of the  
11 things we talked about was the water plan that is  
12 due in November, and I wanted to confirm that  
13 that's still on track to get submitted in November  
14 and ask sort of, you know, what role this  
15 particular investment in improving your treatment  
16 facility has, and sort of getting you, as was  
17 mentioned by staff drought-proof.

18 MR. HARRIS: Thank you for the question -

19 MR. HEISEY: Jeff, if I could comment on  
20 that, I think if everyone in the room can hear me?

21 COMMISSIONER MCALLISTER: Yes, go ahead.

22 MR. HEISEY: Yes, Commissioner. We are on  
23 track to deliver the feasibility study on November  
24 1 as intended, and that work will be completed and  
25 that document will be submitted. With regard to

1 this particular set of projects, and I think as I  
2 tried to relay last time I was present with you  
3 all a month ago or so, we continue to look for  
4 improvements and enhancements to our operating  
5 facilities at the plant to accommodate the use of  
6 recycled water. Through some of that analysis and  
7 some of that review, we identified a couple of  
8 projects that would be viable for the plant to  
9 proceed with and these two projects that we have  
10 presented to you today are those, and we are  
11 taking incremental steps, if you will, to look for  
12 opportunities to allow the plant to be able to  
13 handle increased levels of reclaimed water. So  
14 these two projects, as Frank described them, one  
15 of them is a UV system designed to destroy organic  
16 compounds in our streams that come to us via the  
17 use of reclaimed water, and the other one is to  
18 make modifications to our cold lime softening  
19 system, allowing for a more complete reaction to  
20 allow us to have a better opportunity to utilize  
21 the microfilters within the plant to clean up the  
22 waste stream that comes off of our cooling tower  
23 system. So both of those things were evaluated  
24 and came from empirical data collection as we  
25 developed our feasibility study, and we're in the

1 process of collecting information on how the plant  
2 behaved and operated with the use of reclaimed  
3 water.

4           So given that these projects could be  
5 advanced and engineered and ultimately, as Jeff  
6 has mentioned, initiated such that we can complete  
7 the construction of these projects in concert with  
8 a planned fall outage that we have upcoming, the  
9 first part of November, it was our desire to  
10 present these projects to staff, try to get  
11 approval as the staff approved modification, and  
12 advance these projects into a construction phase.  
13 And so that's where we are today. We have taken  
14 them out of the staff approved modification track  
15 and put them in front of the Commissioners for  
16 action today.

17           COMMISSIONER MCALLISTER: So during that  
18 planned outage, you're going to actually move  
19 forward on the construction or finish the  
20 construction, or what is the timeline on this?

21           MR. HEISEY: We will initiate construction  
22 pending action of the Commission here today if  
23 approved, and we will complete construction during  
24 the period between now and the conclusion of the  
25 fall outage, and commission these new facilities

1 as we come back out of our fall outage.

2 COMMISSIONER MCALLISTER: Okay, great.

3 Thanks for the details. So I'm all good. So I'll  
4 second -- did you move, Commissioner?

5 COMMISSIONER DOUGLAS: Well, just to be  
6 clear, so I move approval of this item.

7 COMMISSIONER MCALLISTER: I'll second.

8 CHAIRMAN WEISENMILLER: Okay, all those in  
9 favor?

10 (Ayes.) This item is approved 4-0.

11 CHAIRMAN WEISENMILLER: We're going to  
12 take about a two-minute break. I'm going to turn  
13 back to Item 3, which is not up today, but just to  
14 clarify, we have some members of the public here  
15 and for their convenience, I'll let them make  
16 statements now as opposed to the end of the  
17 hearing. But anyway, two minutes so the Public  
18 Advisor can work with them.

19 (Off the record.)

20 (Back on the record.)

21 CHAIRMAN WEISENMILLER: Okay, let's go  
22 back on the record. I believe Commissioner  
23 McAllister has a statement.

24 COMMISSIONER MCALLISTER: Yeah, so Item 3,  
25 it's the Huntington Beach Energy Project, so we

1 posted a notice that this was what we were  
2 planning to do, the PMPD for this project was  
3 published on September 3rd, final comments were  
4 filed this past Friday. So we knew we had a tight  
5 schedule. It was aggressive in order to meet the  
6 Applicant's preferred deadline, so we were trying  
7 to accommodate that. But given the volume of  
8 comments and changes to the PMPD, we needed to  
9 resolve some issues remaining between staff and  
10 the Applicant, a few things relating to the  
11 Conditions of Certification, we saw fit and just  
12 the volume of comments to come in, we determined  
13 that we needed more time to look at all of them  
14 and make sure that we were giving them the  
15 diligence that they require.

16           So this item will be moved to October 29  
17 at 9:00 a.m. here at the Energy Commission, so  
18 that is when it will be formally heard. So we did  
19 project that on Friday, we put a notice out and  
20 hopefully all of you got that. And so that opens  
21 another 15-day period, so there will be additional  
22 comment opportunity, and the 29th is sort of the  
23 earliest timeframe to actually get it done and  
24 follow through the process in the appropriate  
25 manner. So you all will have another opportunity,

1 all the participants in that case will have  
2 another opportunity to comment. So I don't know  
3 if Commissioner Douglas has additional comments.

4 COMMISSIONER DOUGLAS: I'll just add that  
5 we are hoping and expecting to get the revised  
6 PMPD out either Wednesday or Thursday, so stay  
7 tuned.

8 COMMISSIONER MCALLISTER: Yeah, thanks.

9 CHAIRMAN WEISENMILLER: So in terms of  
10 public comment, do I have blue cards? Okay, well,  
11 please come forward one at a time, you have three  
12 minutes. Thanks.

13 MS. FOSTER: Good morning. My name is  
14 Melissa Foster, counsel for Applicant, AES  
15 Southland. Thank you for taking the time to  
16 revisit this item.

17 I just wanted to clarify procedurally that  
18 the item was continued. The memorandum that we  
19 saw on Friday afternoon indicated that the  
20 Presiding Member will be recommending a  
21 continuance, so I appreciate you reopening and  
22 making that recommendation, and I was wondering if  
23 there was going to be an approval of that  
24 recommendation from the Commission.

25 CHAIRMAN WEISENMILLER: I don't believe

1 there's any need for an approval, this has been  
2 delegated to the Committee and my hope last week  
3 with the Committee was to make sure people were  
4 clear on whether or not that in fact was not  
5 coming up today, just so that people didn't come  
6 all the way up and basically discovery it wasn't.

7 MS. FOSTER: And we have no issues with  
8 moving it and the issuance of the RP and PMPD and  
9 the new October 29th date, as well.

10 COMMISSIONER DOUGLAS: Thank you.

11 CHAIRMAN WEISENMILLER: Thank you.

12 MS. FOSTER: But thank you.

13 CHAIRMAN WEISENMILLER: Next. That's it?  
14 Okay. So let's go back to Item 6. I believe we  
15 have a staff presentation that's going to help us  
16 frame the issues for Items 6 and 7, both. Staff.

17 MS. WALTER: Good morning, Chair and  
18 Commissioners. My name is Joan Walter, Office  
19 Manager of the Standards Implementation Office in  
20 the Efficiency Division.

21 There are two items on the agenda today  
22 for your consideration relating to the Acceptance  
23 Test Technician Certification Provider Program, or  
24 ATTCP Program. The first item for your  
25 consideration is a request to approve the

1 California Advanced Lighting Controls Training  
2 Program, or CALCTP, as a fully approved Acceptance  
3 Test Technician Certification Provider (ATTCP).  
4 This approval will allow CALCTP to certify  
5 technicians and employers on the Acceptance Test  
6 required by the California Energy Code.

7           An Acceptance Test is a set of functional  
8 tests that ensures that non-residential lighting  
9 controls are working as designed after they are  
10 installed. In 2005, the Energy Commission's  
11 Building Energy Efficiency Standards adopted  
12 requirements that commercial lighting installers  
13 perform Acceptance Testing on newly installed  
14 lighting controls.

15           In 2011, a study by the California  
16 Commissioning Collaborative found that half of the  
17 technicians that participated in the study had  
18 difficulty performing an Acceptance Test. To  
19 address this problem, the 2013 Standards establish  
20 new requirements to ensure that technicians  
21 receive training and certification to perform  
22 acceptance testing. These new standards allow  
23 organizations to apply to the Energy Commission to  
24 become an ATTCP.

25           To be approved as an ATTCP pursuant to

1 Section 10103(A)(f) of the Standards, Applicants  
2 must submit a complete application to the Energy  
3 Commission. Energy Commission staff are required  
4 by Section 10103(A)(f) to review and validate all  
5 information received in the ATTCP application and  
6 determine that the application is complete and  
7 contains sufficient information to be approved.

8 This section also requires that a copy of  
9 the evaluation report that staff completed be made  
10 available to interested persons and provide a  
11 reasonable opportunity for public comment.

12 Staff's Staff Evaluation Report was posted and  
13 made available to interested persons, and comments  
14 were received on the applications.

15 Our process for reviewing the applications  
16 include a careful evaluation of the application  
17 against all the requirements of the standards, and  
18 we considered all the comments received in  
19 response to the posting.

20 During that process, we received a late  
21 comment submitted yesterday that identifies  
22 certain new information that staff did not  
23 evaluate in their Evaluation Report for CALCTP or  
24 NLCAA's application. Therefore, based on the  
25 information received in this late submittal, it

1 appears that our application should consider this  
2 new information in order to thoroughly evaluate  
3 any comments received from the public.

4 Staff is recommending that our evaluation  
5 be expanded to include this new information to  
6 ensure that we've considered every possible  
7 comment submitted in response to both applications  
8 and that all the information is included in our  
9 evaluation report.

10 CHAIRMAN WEISENMILLER: Okay, thank you.  
11 I think at this stage what we will do is take --  
12 we've got a number of people who have come to make  
13 public comment on either 6 or 7, so I'd like to  
14 give all those parties an opportunity to provide  
15 those comments to us, and then we will take into  
16 consideration staff's recommendation. So let's  
17 start with Item 6, Bernie Kotlier.

18 MR. KOTLIER: Good morning. My name is  
19 Bernie Kotlier and I'm a Co-Founder and the Co-  
20 Chair of the California Advanced Lighting Controls  
21 Training Program, or CALCTP. First I'd like to  
22 thank the Commission and the Commission staff for  
23 the opportunity to comment this morning.

24 Properly installed and functioning  
25 Advanced Lighting Controls are an essential

1 component to meeting California's energy  
2 efficiency goals. Lighting accounts for almost 40  
3 percent of a commercial building's annual  
4 electrical use, double the energy used for  
5 cooling. Lighting Control Acceptance Tests  
6 performed by well-trained, experienced, and  
7 effective technicians will ensure that advanced  
8 lighting controls are installed and are operating  
9 correctly so they can achieve their specified  
10 energy savings potential.

11           Certification for Lighting Control  
12 Acceptance Test Technicians was enacted by the  
13 Commission in response to testimony that training,  
14 certification, and quality control of acceptance  
15 test technicians were needed to make the  
16 Commission's Acceptance Test Requirements  
17 meaningful, reliable, and cost-effective. When  
18 the Commission adopted its Lighting Control  
19 Acceptance Test Technician Certification  
20 requirements, it pre-qualified CALCTP as a  
21 certification provider based on CALCTP's history,  
22 experience, and reputation as an organization that  
23 already provided high quality training and  
24 certification of Lighting Control Installers.

25           CALCTP has had seven years of experience

1 training and certifying Advanced Lighting Control  
2 Installers. CALCTP is open shop, and is overseen  
3 by an Advisory Board consisting of representatives  
4 of all the major California utilities, the  
5 Chancellor's Office of the Community College  
6 System, and the California Lighting Technology  
7 Center at U.C. Davis.

8           Through its Installer Certification  
9 Program, CALCTP has demonstrated that it has the  
10 knowledge, experience, and ability to run a high  
11 quality and reliable Acceptance Test Certification  
12 Program.

13           We believe that CALCTP brings an excellent  
14 reputation, experience, credibility, and  
15 effectiveness to the Lighting Control Acceptance  
16 Test Program. Feedback on CALCTP's Training and  
17 Certification Program has been consistently  
18 positive. Applicants with years of Advanced  
19 Lighting Control installation experience have  
20 reported that, despite their long experience, this  
21 training was essential to ensuring proper  
22 performance of Acceptance Tests. They reported  
23 that the breadth of equipment included on CALCTP  
24 Lab Boards provided familiarity with a broad range  
25 of systems, greatly reducing the likelihood they

1 would encounter unfamiliar field conditions.

2           In conclusion, on behalf of CALCTP, I  
3 would like to thank the Commission for, first,  
4 recognizing that the previous Codes cycle  
5 Acceptance Test Program was not effective; and for  
6 responding with a strong new Acceptance Testing  
7 Program that incorporates training and  
8 certification; and 3) for authorizing CALCTP as an  
9 interim training and certification provider, one  
10 that is committed to highly effective training,  
11 testing and quality assurance; and finally, for  
12 ensuring that high standards are maintained for  
13 all providers in an effort to maximize energy  
14 efficiency, meet state goals, and provide  
15 California building owners with a return on  
16 investment they expect and deserve. Thank you.

17           CHAIRMAN WEISENMILLER: Thank you. Eddie  
18 Bernacchi.

19           MR. BERNACCHI: Good morning,  
20 Commissioners. Eddie Bernacchi on behalf of the  
21 National Electrical Contractors Association, which  
22 is NECA for short.

23           NECA supports the approval of the CALCTP  
24 program as an Acceptance Test Technician  
25 Certification provider. CALCTP, which was given

1 interim approval by this Commission has, as Mr.  
2 Kotlier just mentioned, seven years of experience  
3 in training and certifying thousands of Advanced  
4 Lighting Controls Installers, and is overseen by  
5 an Advisory Committee consisting of  
6 representatives of all the major utilities, the  
7 Chancellor's Office of the Community College  
8 System, and the California Lighting Technology  
9 Center at U.C. Davis.

10           So CALCTP's history, experience,  
11 reputation as an organization that provides high  
12 quality training and the certification of lighting  
13 control installers should be used as a standard  
14 for measuring the approval of all the programs.  
15 And in order to ensure the success and the  
16 reliability of certification program and to  
17 achieve energy efficiency goals the program was  
18 designed for, we feel very strong that the  
19 Commission should only approve certification  
20 programs and providers that provide and  
21 demonstrate sufficient experience, reputation and  
22 success in running similar programs. So it's in  
23 our opinion that CALCTP has all of these qualities  
24 and we would urge your approval of this program  
25 today. Thank you.

1           CHAIRMAN WEISENMILLER: Thank you. While  
2 you're there, why don't you discuss Item 7?

3           MR. BERNACCHI: Sure, save me some time  
4 going back and forth. I appreciate it. Again, on  
5 behalf of the National Electrical Contractors  
6 Association, from the start we supported the  
7 Commission's efforts to develop certification  
8 programs to ensure the Acceptance Tests that were  
9 provided and performed by qualified and trained  
10 personnel.

11           You know, for this reason we urge you not  
12 to approve the NLCAA Program as an Acceptance Test  
13 Technician Certification Provider at this time  
14 basically for the reasons that, for certifications  
15 to be worthwhile, the Commission must assure that  
16 it holds the certification providers that perform  
17 the certification to the highest possible  
18 standards. And properly installed and functioning  
19 advanced lighting controls are the essential  
20 component to meeting the goals the Energy  
21 Commission set out when we put the program  
22 together almost two or three years ago.

23           So to achieve these goals, we urge you  
24 guys, the Commission, to ensure that the provider  
25 applications are sufficiently detailed and

1 rigorous enough to demonstrate a strong likelihood  
2 of success. In general, we are concerned about  
3 four aspects of any provider program, 1) ensuring  
4 the provider has sufficient expertise, reputation,  
5 and qualification to demonstrate a likelihood of  
6 success, 2) ensuring certification applications  
7 have three years of relevant, verified  
8 professional expertise in lighting controls,  
9 ensuring training covers all necessary topics, as  
10 testing is validated for subject matter and bias,  
11 and finally, ensuring that providers require and  
12 implement rigorous assurance procedures to ensure  
13 a high level of performance and reliability.  
14 Unfortunately we do not believe the NLCAA program  
15 meets all of these standards, if any. And we  
16 would urge you hold off on approving their program  
17 until they do so. Thank you for your time.

18 CHAIRMAN WEISENMILLER: Okay, thank you.  
19 Kevin Dayton.

20 MR. DAYTON: Kevin Dayton with Labor  
21 Issues Solutions based in Roseville. I'm speaking  
22 on behalf of National Lighting Contractors  
23 Association of America, and I'm going to speak on  
24 6 and on 7. And I'm actually speaking to  
25 recommend that the Commission approve both of

1 these programs.

2           Your regulatory objective is to ensure for  
3 the people of California that there is reasonable  
4 access to certification for technicians, and this  
5 is part of a larger objective in the Public  
6 Resources Code for reducing the wasteful and  
7 uneconomic, inefficient, or unnecessary  
8 consumption of energy. So when you consider  
9 approving these applications, that's what your  
10 overriding goal is to do: do these two  
11 applications, the CALCTP Program and the National  
12 Lighting Contractors Association of America  
13 Program fulfill the general regulatory  
14 requirements for you to approve them as Acceptance  
15 Test Technician Certification providers?

16           In the context of wanting to provide  
17 reasonable access to certification for technicians  
18 for the larger objective of reducing the wasteful,  
19 uneconomic, inefficient, or unnecessary  
20 consumption of energy, sure, they do fulfill this  
21 requirement. Now, in the context of wanting to  
22 limit trade and competition for a technician  
23 certification, one could nitpick and exploit the  
24 ambiguities in these applications to assert that  
25 they don't do approval. And I regret to say that

1 one part in these two is doing it, the California  
2 Advanced Lighting Controls Training Program, if  
3 you look at its website you will see that it is a  
4 collaboration of groups that includes the  
5 California State Labor Management Cooperation  
6 Committee for the International Brotherhood of  
7 Electrical Workers and the National Electrical  
8 Contractors Association. This is a group that you  
9 just heard saying one group is suitable, theirs,  
10 and the other group isn't. Yes, they got  
11 reasonable opportunity for public comment, it's a  
12 shame that there isn't something in the legal  
13 language that says that the staff should have a  
14 reasonable opportunity to respond to public  
15 comment, but we know all this racket, this goes on  
16 all the time, you know, with the California Energy  
17 Commission's licensing process, the last minute  
18 stuff that's filed by Intervenors, it's the same  
19 parties.

20           Here's what I suggest you do. You know  
21 what? You're going to be sued no matter what.  
22 Eventually you're going to have to approve the  
23 program for the National Lighting Contractors  
24 Association of America. Just go ahead and approve  
25 it today, let them sue, you know what? They

1 don't' have a case and let the Unions go ahead and  
2 sue and try to cut off the competition. You know  
3 what? A Judge is going to look at this and say,  
4 "You know, we're here to benefit the people of  
5 California and not to cut competition."

6 Approve both of these programs so that  
7 people can have lighting control systems that save  
8 electricity. Thank you.

9 CHAIRMAN WEISENMILLER: Thank you. Let's  
10 go on to Mark Ouillette.

11 MR. OUILLETTE: Good morning,  
12 Commissioners, staff and guests. My name is Mark  
13 Ouillette and I work for ICF International, which  
14 has been the administrative body for the CALCTP  
15 Program since inception back in 2008, and I'm  
16 going to give you just a little bit of update on  
17 where we're at with the CALCTP acceptance testing  
18 program.

19 To date, for the acceptance testing  
20 technician program, we have received 835  
21 applications, we have trained and certified 724  
22 technicians from all of the credentialed  
23 categories in the legislation, the five  
24 categories.

25 In terms of the California Acceptance Test

1 Employer Program, we have received 261 Employer  
2 Applications, we have trained over 444 individuals  
3 from those organizations, and we have certified to  
4 date 154 certified acceptance test employers.

5           We have 25 different training centers  
6 across the state, including electrical industry  
7 training centers, investor owned utility training  
8 centers, as well as community colleges. We are  
9 also bringing four additional training centers  
10 online, particularly up in Shasta and in other  
11 areas where we haven't been able to serve as  
12 effectively as possible. We do get a number of  
13 inquiries every day, probably about 10 to 15  
14 different inquiries about the program. We do  
15 establish a wait list where we identify the  
16 individuals, the names, their organizations, which  
17 classes they would like to take, including our  
18 installation program, as well as record the date  
19 that they contact us.

20           When we do see an uptick in interest, as  
21 we have in August and September, we had about 45  
22 individuals during those months contact us,  
23 reschedule more classes than are regulatory  
24 scheduled. So for example, this week I have three  
25 classes scheduled, one in Alameda, one in Los

1 Angeles, and one in San Diego, so we are trying to  
2 meet the need as best we can and as quickly as we  
3 can.

4           We also ensure quality assurance. We  
5 ensure the quality assurance of our programs in a  
6 number of ways, 1) we have a test that is  
7 validated so we use Psychometricians, PhD level  
8 Psychometricians to ensure that it has sufficient  
9 rigor, reliability, and lack of bias, reinsure the  
10 security and integrity of the tests by having a  
11 test generator which generates different tests,  
12 that's why we have a test bank of over 200  
13 questions, generates new tests every single time a  
14 test is requested. The test is provided by the  
15 training site and then returned to us. We provide  
16 oversight of technicians and employers by  
17 providing a statistically significant -- I'm  
18 sorry, I work with a lot of PhD people -- quality  
19 assurance program where, for new programs, we  
20 talked about it in developing it that we wanted to  
21 have a quality assurance where we could say  
22 without a doubt 98 percent of those that provided  
23 an acceptance test were doing it accurately. So  
24 we set the program that way. What that entails is  
25 for the first three years of the program when

1 there's mostly likely to be errors, six percent of  
2 all projects would receive a random onsite audit,  
3 as well as an additional six percent would receive  
4 -- I see my time is up -- random paper audits. As  
5 we understand, this will give the CALCTP  
6 leadership the majority of projects being  
7 conducted done accurately. After years 3 and on,  
8 those numbers will reduce. So thank you for your  
9 time and we look forward to CALCTP being fully  
10 certified.

11 CHAIRMAN WEISENMILLER: Okay, thank you.  
12 Jack Yapp.

13 MR. YAPP: Jack Yapp, Natural Lighting  
14 Contractors Association of America. And Chair and  
15 Commissioners, good morning to you. Thank you for  
16 giving me time to discuss this.

17 First of all, I firmly believe what we're  
18 doing is correct. What we have done is combined  
19 all the information and brought it about to a  
20 point that people in the field could adapt easily.  
21 And so with that said, the program we have  
22 developed is workable, it is precise, and as far  
23 as the performance of the test itself, with the  
24 software program that we developed in conjunction  
25 with this, it eliminates all the issues regarding

1 errors in regards to calculations. The training  
2 we have developed has gone to a point that we've  
3 reviewed with staff several times and made note of  
4 everything that they brought up, and we worked  
5 closely to them, in fact, this is the second time  
6 we've been approved.

7 So with that, I firmly believe that we  
8 could help California educate these individuals in  
9 the field to correctly provide the acceptance  
10 testing that's badly needed. Thank you.

11 CHAIRMAN WEISENMILLER: Thank you. Robert  
12 Shearer.

13 MR. SHEARER: Good morning, Chairman,  
14 Commissioners, and guests. I am here as the  
15 training consultant to California Electrical  
16 Training representing NLCAA with their permission.  
17 They extend their greetings.

18 NLCAA herewith pledges their support of  
19 the Energy Reduction Goals promoted by the CEC,  
20 and hopes they can be instrumental in achieving  
21 those goals. I would like to mention that NLCAA  
22 has submitted an actual application as outlined in  
23 Section 10-103-A of the 2013 Building Energy  
24 Efficiency Standards. We have also worked with  
25 CEC staff to address issues not clearly defined in

1 the Code.

2           Our examination and quizzes are designed  
3 to force students to search for answers in the  
4 four Code documents related to Acceptance Testing.  
5 We believe we have targeted our course  
6 specifically towards the Acceptance Testing  
7 process. Our performance test labs make students  
8 collect data, analyze it, and fill out Acceptance  
9 Test form excerpts. All four Acceptance Testing  
10 forms are utilized.

11           In the labs, students will analyze a  
12 closed loop continuous dimming daylighting system,  
13 an open loop switched daylighting system, extract  
14 data from, and test a building timer. And test an  
15 occupancy sensor in a partial off system.

16           As the NLCAA application to the CEC  
17 stipulates that they can reduce or waive any fees  
18 shown, we extend an invitation to CEC staff to  
19 attend our training free of charge. A reminder:  
20 Acceptance Test Technician training is three days  
21 in length. NLCAA would like to take this  
22 opportunity to thank all CEC staff involved in  
23 reviewing our application. We appreciate the time  
24 and effort involved. Thank you.

25           CHAIRMAN WEISENMILLER: Thank you. Tom

1 Enslow.

2 MR. ENSLOW: Good morning, Commissioners.  
3 Tom Enslow on behalf of the IBEW NECA Labor  
4 Management Cooperation Committee. The Committee  
5 submitted a letter to the Commissioners yesterday  
6 detailing its continued concerns of the NLCAA  
7 application. And I'd like to clarify that our  
8 concern isn't with the content of the curriculum.  
9 Given that the NLCAA hired a CALCTP instructor  
10 with access to CALCTP's proprietary information,  
11 all NLCAA had to do was rewrite the curriculum in  
12 their own language. We assume they were able to  
13 do that successfully.

14 The concern that we have is with the  
15 ability of NLCAA to actually run and oversee a  
16 reliable and quality certification program. And  
17 this concern is highlighted by the applications  
18 fairly to demonstrate the NLCAA has filed standard  
19 industry quality assurance practices, for example,  
20 for its certification exams and also the  
21 application's vague and inadequate quality  
22 assurance field audit requirements. As discussed  
23 in our comments, NLCAA failed to follow the  
24 standard industry practice of having its  
25 certification test validated for rigor,

1 reliability, and lack of bias. This standard  
2 practice is set forth in every model certification  
3 handbook and standard, including the U.S.  
4 Department of Labor Testing and Assessment  
5 Guidelines, and the ISO's 17024 Certification Body  
6 Standard, which is expressly recognized in the CEC  
7 Acceptance Test Regulations.

8           The staff report states that Commission  
9 staff would validate NCLA's test and we have no  
10 question that, you know, they thoroughly reviewed  
11 the content of the test; however, merely reading  
12 through proposed test questions is not sufficient  
13 to validate tests for reliability, rigor, and lack  
14 of bias. A key component of examining an  
15 evaluation is to conduct pilot testing, and to  
16 have test assessment professionals to  
17 statistically analyze the test. Such evaluations  
18 identify poor quality questions that might not  
19 otherwise be readily evidence, ensures reliability  
20 by checking response option frequency and  
21 consistency, and ensure validity and rigor by  
22 evaluating question difficulty which is necessary  
23 to also justify the passing scores that are  
24 required.

25           Calculating the reliability of a test can

1 be complicated and generally requires analysis by  
2 trained professionals in the use of advanced  
3 statistical software. In addition, pilot testing  
4 and statistical analysis is necessary to ensure  
5 there's no hidden bias in certification exams.  
6 Under Federal Regulations, the use of any  
7 selection procedure which has an adverse impact on  
8 employment opportunities of any race, sex, or  
9 ethnic group, is considered per se discriminatory  
10 unless a procedure has been validated in  
11 accordance with the uniform guidelines and  
12 employment selection procedures.

13           The Energy Commission is relying on its  
14 own validation of the NLCAA exam for lack of bias,  
15 since this may put the Commission at risk for  
16 litigation. And the requirement for doing this  
17 stuff should be the Applicant's requirement, not  
18 the Commission staff, and that's how it's written  
19 in the Regulations.

20           In addition, NLCAA only has one test and  
21 no procedures are in place to detect that exam  
22 answers have been shared with students, or  
23 continue to be valid and reliable, nor without  
24 multiple versions of tests and continued  
25 statistical evaluations, it's unclear how the

1 certification test procedures meet the  
2 Commission's quality assurance requirements.

3           In addition, we raise a few other issues  
4 that are in our comments, and so I won't go into  
5 since my time is up, but there are issues with  
6 NLCAA applications reliance in vague and  
7 inadequate quality assurance field audit  
8 requirements, and an inconsistency with the  
9 prequalification requirements adopted by the  
10 Commission. For these reasons, and because of  
11 NLCAA's lack of experience in the certification  
12 field, the IBEW NECA Labor Management Cooperation  
13 Committee asks the Commission to deny this  
14 application. Thank you.

15           CHAIRMAN WEISENMILLER: Thank you. I guess  
16 the last one is Justin, IBEW.

17           MR. FANSLAN: Good morning, Chair and  
18 Commissioners. Justin Fanslan on behalf of the  
19 California State Association of Electrical Workers  
20 and the Coalition of California Utility Employees  
21 representing 85,000 electrical workers and 40,000  
22 utility employees in the state, effectively the  
23 people who you're attempting to inspect.

24           We urge the Commission to deny the  
25 application of the Natural Lighting Contractors

1 Association of America. I would like to associate  
2 most of my comments with those of Mr. Enslow, as  
3 he's worked with staff and you extensively on  
4 this. But let me give you just briefly as the  
5 worker, what we're looking at. Basically the  
6 organization that was in front of you was formed  
7 solely for the purpose of a business venture,  
8 scanning a state's national databases to look for  
9 opportunities to gain government contracts and  
10 then coming to the Commission and saying that they  
11 care about the integrity of the Title 24 program  
12 and the Lighting Efficiency Program Standards is  
13 completely ridiculous, especially insulting to the  
14 men and women who work in our field.

15           Approving that application would be  
16 completely outside of industry standards and  
17 practices for state agencies to approve that  
18 testing when the industry has no connection to the  
19 construction or the work that's being done. You  
20 cannot place workers, contractors, building  
21 owners, and the public at risk by setting a  
22 precedent that untrained, untested organizations  
23 can simply hang a shingle and call themselves  
24 certifiers.

25           We understand the staff's review of the

1 regulations may reveal that there is inadequate  
2 ability in the regulation to say that they're not  
3 qualified. If that's the case, then we think the  
4 action here is to make sure that the regulation is  
5 in place, detail the type of person that will be  
6 effectively certifying and inspecting. I guess,  
7 lastly, our electricians go through certification.  
8 Allowing an organization that has zero background  
9 in this is effectively asking, say, one of my  
10 linemen to go to a vascular surgeon and say, "Hey,  
11 did I wire the body correctly?" It's ridiculous  
12 and this application is as ridiculous as that.  
13 Thank you.

14 CHAIRMAN WEISENMILLER: Thank you. I want  
15 to make sure staff docket the comments that were  
16 filed yesterday so everybody will have a chance to  
17 review those. They are certainly out on a table,  
18 but with that, Commissioner McAllister? Oh, one  
19 more, sure. Please.

20 MR. YAPP: I had one more minute left out  
21 of that three minutes, so I thought I'd use it up,  
22 okay?

23 CHAIRMAN WEISENMILLER: Okay.

24 MR. YAPP: I'm a retired IBEW member, been  
25 in the trade a number of years, 45 years of

1 controls automation systems. I was performing  
2 this type of work prior to anything occurring  
3 regarding this control aspect. I basically am an  
4 instructor, I run California electric training.  
5 We're approved school of the State of California  
6 for training Electrical Trainees and Electricians  
7 for continuing education, and I've been teaching  
8 and training for over 30 years, and the lack of  
9 knowledge is not stated at all. So my point right  
10 now, gentlemen, ladies and gentlemen, and Chair,  
11 and Commissioners, we're here to support your  
12 endeavor to complete this aspect of the industry  
13 standards. I firmly believe and I firmly commit  
14 to this, it's not an issue regarding what was  
15 stated before, it's the intent of what the Energy  
16 Commission set forth. So with that, thank you  
17 very much.

18 CHAIRMAN WEISENMILLER: Thank you.

19 COMMISSIONER MCALLISTER: So has that  
20 letter been docketed? Was it submitted just to us  
21 directly, or did it also go to the docket?

22 MS. WALTER: It has not been docketed, but  
23 we will docket it today.

24 COMMISSIONER MCALLISTER: So let's  
25 definitely do that, thank you. So I appreciate

1 everybody being here, a lot of opinions on various  
2 sides of this, both Items 6 and 7. And so I just  
3 have a couple of questions for staff. So in  
4 evaluating each of these applications, both of  
5 these applications, did staff apply sort of  
6 similar criteria and similar processes to both  
7 applications? I see Tav and Joan both here, so.

8 MR. COMMINS: So, yes. What we did is we  
9 went through the regulations, the standards, and  
10 broke down each specific requirement in the  
11 standards. We put together basically the staff  
12 evaluation report that we posted online, and we  
13 went and used the same evaluation curriculum  
14 requirements for CALCTP and NLCAA when reviewing  
15 the applications.

16 COMMISSIONER MCALLISTER: So the 10-page  
17 letter that was submitted yesterday from the LMCC  
18 has a lot of points in it, I think a diverse  
19 perspective and quality, frankly, but a lot of  
20 points in there, a lot of substance. Did your  
21 reviews include all those issues that were brought  
22 up in that letter?

23 MR. COMMINS: No. There are some new  
24 information that were brought forward and in  
25 previous response from CALCTP there are similar

1 information in here. Our response was that the  
2 NLCAA met the requirements of the standards and  
3 that we believed that they should be approved, so  
4 we brought them to the business meeting.

5 COMMISSIONER MCALLISTER: So I guess my  
6 question is not only about the NLCAA application,  
7 but also the CALCTP application, and it seems, you  
8 know, so a lot of issues were brought up here  
9 which we could enumerate and which folks will be  
10 able to see as soon as it's docketed, are there  
11 places in the CALCTP application, as well as the  
12 NLCAA application that these topics have not been  
13 fully treated or vetted?

14 MS. WALTER: Correct. Both applications  
15 prior to receiving this letter were evaluated  
16 against the same criteria for meeting the  
17 requirements of the standards. The letter  
18 submitted yesterday provides new information, new  
19 specific information that neither application were  
20 evaluated against.

21 COMMISSIONER MCALLISTER: So I guess I  
22 have two concerns with voting on this, on either  
23 application today, one is just making sure that  
24 the process -- it sounds like you're saying that  
25 the process was similar for both applications, and

1 so that sort of consistency issue maybe isn't as  
2 big, but I think we do need to make sure that  
3 absolutely the evaluations of each application are  
4 consistent, but also, substantively making sure  
5 that we're being rigorous with respect to the  
6 evaluation and taking these concerns and matching  
7 them up to regulation deliberately, to see sort of  
8 how they match up and what gaps might be in the  
9 process that we've used for evaluating both  
10 applications. You know, that's going to need some  
11 time, certainly. So I think the assertions made  
12 in this letter, a few of them that are potentially  
13 serious, but we don't know. There are many of  
14 them that are less sort of critical in my view,  
15 but either way we've got to evaluate them and  
16 probably consult with legal, sort of figure out  
17 how it looks and then refresh the evaluation to  
18 the applications. So I think my proposal would be  
19 to agree with you to build the need for more time  
20 to do that.

21 CHAIRMAN WEISENMILLER: Okay. So at this  
22 stage, just to be clear, I've taken comments on  
23 both Items 6 and 7, and so our actions we'll be  
24 contemplating would deal with both 6 and 7. If  
25 anyone did not realize that and wants to speak to

1 Item 7 at this time, please come up.

2 MR. YAPP: Chair, Commissioners, again,  
3 since there are both 6 and 7, Cal 7, RC and NLCA,  
4 we would like to request to be a provider, to  
5 provide the training that's badly needed in our  
6 industry, and for that we'd like to be approved as  
7 a provider so we could start training immediately.  
8 Same status, if I may, with CALCEP. If we could  
9 possibly have that arranged, then we could fulfill  
10 the needs that are desperately needed out there.  
11 We have a number of contracts throughout the State  
12 of California requesting us to help assist them  
13 and getting their paperwork together, and their  
14 training. So with that said, it's a request from  
15 the NLCAA to the Energy Commission to be a  
16 provider until the time comes when we get fully  
17 ratified as an ATTCP. Thank you.

18 CHAIRMAN WEISENMILLER: Thank you. So  
19 again, Item 7, please.

20 MR. MARKESON: Thank you, Commissioners.  
21 Richard Markeson for the Western Electrical  
22 Contractors Association. We would agree with that  
23 suggestion. Inasmuch as your regulations are no  
24 longer stayed at the present time, the fact that  
25 you've only got one interim provider establishes a

1 monopoly for that organization. We would  
2 certainly agree that the industry is in desperate  
3 need for certified technicians, as well as  
4 approved employers, and we would strongly support  
5 an interim approval for the other program as well.  
6 Thank you.

7 CHAIRMAN WEISENMILLER: Thank you. Go  
8 ahead. Come on up.

9 MR. SHEARER: Hi, Robert Shearer  
10 representing NLCAA again. I'd like to state for  
11 the record that I'm not entirely certain of this,  
12 but I think I was just accused of plagiarism  
13 earlier in the development of my course material.  
14 I think that if you review the two different  
15 courses of instruction, you won't be struck by the  
16 similarities between them, but by the contrasts  
17 between them, because oddly enough, despite the  
18 fact that these two courses are targeted toward  
19 the exact same goal, they seem to be very  
20 different sets of course material. Thank you.

21 CHAIRMAN WEISENMILLER: Thank you.  
22 Please.

23 MR. BERNACCHI: Mr. Chairman,  
24 Commissioners, Eddie Bernacchi, National  
25 Electrical Contractors Association again. On the

1 issue of interim providers, I just wanted to make  
2 the comment and remind the Commission that the  
3 interim provider status was based on a level of  
4 certification of a number of employees and  
5 employers prior to being provided that status, and  
6 so if that is going to be a consideration, I think  
7 you need to look at those numbers prior to making  
8 any decision on that topic. Thank you.

9 CHAIRMAN WEISENMILLER: Thank you. Anyone  
10 else?

11 COMMISSIONER MCALLISTER: Does anybody  
12 else have any comments here? I'm inclined to move  
13 both Items 6 and 7 to the November Business  
14 Meeting, so continuing them from today.

15 CHAIRMAN WEISENMILLER: We don't -- I  
16 believe any of us can make that action, and I was  
17 also inclined to put a hold on this, so basically  
18 we're putting a hold on it until the November  
19 meeting. I think the reality is we had not listed  
20 anything on this agenda about any interim  
21 certifications, and that's certainly an issue  
22 we've not discussed, nor developed any record in  
23 this, so I'm afraid we'll have to basically put a  
24 hold on it until the staff has time to come back  
25 to us, having done the additional due diligence

1 for both Items 6 and 7.

2 I'm looking at my Acting Chief Counsel to  
3 make sure that the legal opinion is correct.

4 MR. OGATA: This is Jeff Ogata. I believe  
5 it would be appropriate to just take up  
6 Commissioner McAllister's motion to table this  
7 item until the next Business Meeting since you  
8 have discussed it at length. I think further  
9 direction to staff would also be appropriate. I  
10 think we understand what the comments were, but I  
11 think it would be clearer if there was further  
12 direction given to staff as to what you expect of  
13 them when this item returns next month.

14 CHAIRMAN WEISENMILLER: Okay. So we have  
15 a motion.

16 COMMISSONER DOUGLAS: Second.

17 CHAIRMAN WEISENMILLER: All those in  
18 favor?

19 (Ayes.) So again, the motion passes 4-0.  
20 In terms of additional direction, I'm going to ask  
21 --

22 COMMISSIONER MCALLISTER: Yeah, I'm also  
23 looking at Mr. Brehler over there who is probably  
24 going to be on point for this, but there are some  
25 legal aspects of the comments that were submitted

1 yesterday, and then there are also some procedural  
2 and probably some technical aspects, so all three  
3 of those really need to be vetted and coordinated  
4 between staff and legal and my office, and so I  
5 think we'll have to just maybe get with Executive  
6 Office and figure out what that process looks  
7 like, but certainly I think a few work items are  
8 on staff's and Legal's list. So hopefully there's  
9 some clarity there, if there's not we can sort of  
10 follow-up as we move forward.

11 MS. WALTER: Yes, thank you.

12 COMMISSIONER MCALLISTER: Thanks, Tav and  
13 Joan, and all of you for being here, and Pippin.

14 CHAIRMAN WEISENMILLER: Let's go to Item  
15 8, Order Instituting Rulemaking. Kevin.

16 MR. CHOU: Good morning Chair and  
17 Commissioners. I'm Kevin Chou with the  
18 Commission's Renewable Energy Division and with me  
19 is Lisa De Carlo, Staff Attorney. Staff is  
20 requesting approval of an Order Instituting  
21 Rulemaking to begin the formal process of  
22 considering amendments to the Power Source  
23 Disclosure Program Regulations to reflect changes  
24 in statute that affect the regulations and to  
25 provide additional clarity for electricity,

1 retailers and consumers who are subject to the  
2 regulations.

3           In 1977, Senate Bill 1305 was enacted,  
4 requiring every retail provider selling  
5 electricity that is consumed in California to  
6 disclose its electricity sources. The bill  
7 directed the Energy Commission to establish  
8 guidelines for the format and means for such  
9 disclosure.

10           The Commission first adopted the Power  
11 Source Disclosure Regulations in September of  
12 1998. These regulations established the format  
13 and timing of various reporting requirements,  
14 including a detailed format for the Power Content  
15 Label, which is the vehicle for disclosure of  
16 electricity sources to consumers.

17           In 2009, Assembly Bill 162 was adopted,  
18 modifying the program by adding the term  
19 "unspecified sources of power" as a category that  
20 must be disclosed, changing the timing of  
21 reporting requirements, amending other details  
22 regarding disclosures, and eliminating certain  
23 reporting requirements including those related to  
24 Net System Power, and generally creating more  
25 alignment with the Renewables Portfolio Standard,

1 or RPS, at that time.

2 In April 2011, Senate Bill X12 was signed  
3 into law, which required the Energy Commission to  
4 adopt the RPS Regulations for publicly owned  
5 electric utilities, changed annual compliance to  
6 multi-year compliance periods to meet 33 percent  
7 renewables by 2020, and make changes to the RPS  
8 program that affected draft language in the Power  
9 Source Disclosure Program. At that time, the  
10 decision was made to put the Power Sources  
11 Disclosure Program Regulations on hold until RPS  
12 regulations were completed.

13 The Energy Commission adopted the RPS  
14 Regulations in August of 2013 and staff now  
15 proposes to update the Power Sources Disclosure  
16 Program Regulations to conform to Assembly Bill  
17 162.

18 We are seeking your approval to open a  
19 rulemaking proceeding to consider modifications to  
20 Title 20 CCR Section 1390 as follows: 1)  
21 eliminate the requirement to disclose Net System  
22 Power, which is no longer required by statute; 2)  
23 add to the Disclosure Requirements the category of  
24 Unspecified Sources of Power which is now  
25 statutorily required; 3) add to the Disclosure

1 Requirements the category of Renewable Energy  
2 Credits, or RECs, to allow customers to  
3 distinguish between sources of renewable energy  
4 provided; 4) change the reporting date to better  
5 accommodate retail provider work flow constraints;  
6 5) add a requirement that the Power Content Label  
7 include a footnote informing the consumer that  
8 information provided in the label is different  
9 than what is reported under the RPS Program; 6)  
10 eliminate the certificate program; and 7) any  
11 other changes to the Regulations considered  
12 necessary.

13 This summarizes my presentation and we  
14 would be happy to answer any questions.

15 CHAIRMAN WEISENMILLER: Thank you.  
16 Commissioners? I don't believe we have any public  
17 comment on this.

18 COMMISSIONER HOCHSCHILD: So, yeah, thank  
19 you. Colleagues, we discussed this pretty  
20 extensively at a number of Renewable Lead meetings  
21 and this is a much needed cleanup. Essentially  
22 the take home point is that the Power Sources  
23 Disclosure Program began before the RPS, and  
24 therefore there's been a lot of confusion about  
25 meshing those, and I think this process will help

1 bring some much needed clarity. So, thank you  
2 staff for preparing this, we're happy to get it  
3 going. So I would ask for your support.

4           COMMISSIONER MCALLISTER: Yeah, I think,  
5 just chiming in, the Power Content Label that  
6 people get I think is pretty confusing, and  
7 there's not kind of a system in place to make it  
8 clear what it's actually trying to accomplish, and  
9 I think sort of being thoughtful about that and  
10 coming out on the back end with really what we all  
11 want, which is clarity and communication and sort  
12 of education so that people can see the evolution  
13 of our power supply, because right now it sort of  
14 seems like it's all over the map, and nobody is  
15 really sure what it means, so just at the  
16 layperson level, so giving that some  
17 intentionality, I think, is the overall goal that,  
18 you know, I'm not the lead Commissioner here,  
19 Commissioner Hochschild is, but I think  
20 intentionality would be good sort of at that level  
21 of communications. So hopefully we can come out  
22 with something along those lines. So, did you  
23 move?

24           COMMISSIONER HOCHSCHILD: I'll move the  
25 item.

1 COMMISSIONER MCALLISTER: I'll second.

2 CHAIRMAN WEISENMILLER: So all those in  
3 favor?

4 (Ayes.) This item also passes 4-0. Thank  
5 you, staff.

6 MR. CHOU: Thank you.

7 CHAIRMAN WEISENMILLER: Let's go on to  
8 Item 9, information item, New Solar Homes  
9 Partnership update. Suzanne, please.

10 MS. KOROSSEC: Good morning, Commissioners.  
11 Thank you for this opportunity to provide an  
12 update on the status of the New Solar Homes  
13 Partnership Program, since the Energy Commission  
14 took over administration of the program at the  
15 beginning of September.

16 As you know, the NSHP Program provides  
17 rebates to builders and homeowners for qualifying  
18 solar energy systems that are installed on new  
19 residential construction in the PG&E, SCE and  
20 SDG&E service territories. The program began in  
21 January of 2007 with the goal of installing 360  
22 megawatts of solar by the end of 2016, and up  
23 until August 31st of this year was administered by  
24 the Investor-Owned Utilities.

25 At the July 22nd Business Meeting, the

1 Commission approved staff's recommendation to  
2 return administration of the NSHP to the Energy  
3 Commission as of September 1 to provide a single  
4 point of contact for program participants, a  
5 consistent set of rules, and to reduce program  
6 administrative costs, all of which will make, the  
7 program more effective and efficient and cost-  
8 effective.

9           At the July Business Meeting, some parties  
10 expressed some concerns about the Energy  
11 Commission's readiness to take over administration  
12 of the program, so we felt it would be helpful for  
13 you to hear some of the statistics on what's  
14 happened since we took over that program.

15           In terms of staffing, we have 11 full-time  
16 staff working on NSHP, along with 13 part-time  
17 interns. All of the NSHP staff and students have  
18 undergone an intensive training process and all of  
19 them are now fully trained in all of the program  
20 requirements and rules.

21           Our progress, I'm reporting it in three  
22 general categories, the first is final approval  
23 and processing of payments that we had in-house at  
24 the time we took over the program. These are ones  
25 that the utilities had already processed and had

1 come to us for final approval. The second  
2 category is our progress in clearing outstanding  
3 payment requests and reservation requests that the  
4 IOUs transferred to us when we took over the  
5 program. And third is our progress on new  
6 applications for both payments and reservations  
7 that we've received since we took over the  
8 program.

9 I do want to point out that although the  
10 official effective date was September 1st, we  
11 notified program applicants to start sending us  
12 new applications starting August 1st so that we  
13 could free up the IOUs to continue processing the  
14 things that they had in-house, and we would take  
15 on anything new.

16 As part of the transition, we also asked  
17 the IOUs to send us all of their outstanding  
18 payment requests starting August 15th so that we  
19 could start clearing that backlog before we took  
20 over the full program on September 1st.

21 So progress to date, payment claims we  
22 already had in-house when we took over the  
23 program. Since August 1, we've completed our  
24 reviews and made payments totaling \$1.8 million  
25 for about a megawatt of solar capacity. For the

1 backlog that we received from the IOUs, we  
2 received 956 payment claims. As of September  
3 30th, 53 claims have been paid, meaning checks  
4 have actually gone out, and 694 claims are in our  
5 accounting office ready to have the checks done.  
6 That usually takes about two weeks. So that's a  
7 total of 747 payment claims that have been  
8 cleared, which is more than three-quarters of the  
9 backlog payment claims that we received when we  
10 took over the program.

11           The total capacity in dollar amount for  
12 the cleared payment claims is 1.7 megawatts and  
13 \$3.7 million. For the 150 backlogged reservation  
14 requests, we've completed our review and  
15 encumbered funding for 28 reservations, and the  
16 remaining applications are still in the review  
17 process. The encumbered funds for those 28  
18 projects are \$2.8 million for about 2.4 megawatts  
19 of new solar systems.

20           The final category is the new reservation  
21 requests that we received, and payment claims that  
22 we received starting August 1st. So we received  
23 85 new reservation requests and 1,119 new payment  
24 requests. We've reviewed and approved 415 of  
25 those 1,119 new payment requests, nearly 40

1 percent, and those again are in our accounting  
2 office for payment, and those total \$2.1 million  
3 and 1.3 megawatts, and we've reviewed and  
4 encumbered funding for three reservation  
5 applications for about \$95,000 for about 76  
6 kilowatts.

7           For both the backlogged and new  
8 reservation applications, the relatively low  
9 number of completed applications compared to the  
10 total received doesn't mean we haven't been  
11 working on them, these are much more complex than  
12 payment claims, and so it's taking more time for  
13 them to go through the process.

14           Parties at the July Business Meeting also  
15 mentioned that customer service is a key element  
16 of NSHP Program, which we agree, so I do want to  
17 mention that, in addition to clearing more than  
18 1,100 backlogged and new payment claims, since  
19 August 1st our staff and interns have responded to  
20 330 phone calls and 307 emails from participants  
21 with questions and needs for assistance. And  
22 they've also conducted three training seminars in  
23 September to provide training to participants on  
24 the program rules.

25           So just to summarize, since August 1st,

1 our staff and interns have processed 1,109 payment  
2 claims for three megawatts of installed systems  
3 for \$5.8 million, 31 reservation applications to  
4 encumber \$3.7 million for 2.5 megawatts in new  
5 systems, we're continuing to review and process  
6 around 900 remaining payment requests, most of  
7 which are new, along with a remaining 235  
8 reservation applications, most of which were part  
9 of the backlog. And at the same time, the staff  
10 and interns have provided customer service and  
11 outreach by responding to more than 600 phone  
12 calls and conducting three training seminars with  
13 an additional three seminars that are planned in  
14 October, November, and December.

15           So while it's obviously too early to  
16 characterize our taking over the administration as  
17 a complete success, I think that these numbers  
18 show that in the first 45 working days of  
19 administering the program, we've made excellent  
20 progress in clearing the backlog, while at the  
21 same time taking care of all new things that were  
22 coming in and still continuing to provide customer  
23 service. So I'm happy to answer any questions.

24           CHAIRMAN WEISENMILLER: Great. I wanted  
25 to thank you for you and your staff's hard work in

1 this area.

2 COMMISSIONER HOCHSCHILD: Yeah, let me  
3 echo that and just say, you know, at a high level  
4 our goal is to have as friction-free a process as  
5 we possibly can and we're I think making good  
6 headway on that. I also wanted to just  
7 acknowledge the utilities for their cooperation in  
8 the transition, which has been excellent as I  
9 understand. So I personally have gotten feedback  
10 from stakeholders in the last couple weeks about  
11 the processing time being better and that's good  
12 to hear. So let's keep going, I know your staff  
13 is working really hard and I know, Suzanne, you in  
14 particular did a terrific job getting the team in  
15 place, and how many people we have now altogether,  
16 24 or so students and staff?

17 MS. KOROSSEC: Yes, approximately 24 in the  
18 unit, yes.

19 COMMISSIONER HOCHSCHILD: Yeah, well,  
20 thank you for everything you've done.

21 MS. KOROSSEC: Thank you.

22 COMMISSIONER MCALLISTER: I'll chime in  
23 here, too. I mean, if your presentation is any  
24 indication of the overall level of the quality of  
25 the administration, it's tell people what you're

1 going to tell them, then tell them, and then tell  
2 them what to tell them, and do it with a smile.  
3 So thanks for the presentation and obviously I was  
4 sort of in the nitty gritty back up to a year or  
5 so ago, and Commissioner Hochschild came in and  
6 took over the Commissioner oversight of the  
7 program, and I had a lot of faith then that staff  
8 was in place and capable of making the transition  
9 happen, and doing it well, working with the  
10 utilities in the transition, and also the  
11 stakeholders, and I also have seen some of the  
12 positive feedback from stakeholders that really  
13 feel like a little bit of fresh progress is  
14 happening because of the transition and because of  
15 the Commission stepping in, and you're doing a  
16 good job.

17           You know, program design is a craft and a  
18 program implementation is a craft, it has a lot of  
19 detail to it, and it just takes a lot of hard work  
20 and rolling up your sleeves and looking at each  
21 case with fresh eyes and helping solve people's  
22 problems, and I really have a lot of faith and  
23 it's just being validated every day that that's  
24 actually happening. So I think it's really great  
25 and thanks for Commissioner Hochschild's

1 leadership, as well, on that, and thank you,  
2 Suzanne.

3 MS. KOROSSEC: Thank you.

4 COMMISSIONER HOCHSCHILD: And I don't  
5 think any action is needed, this was just a  
6 report.

7 CHAIRMAN WEISENMILLER: Good. So let's go  
8 on to Item 10. Renewable Portfolio Standard  
9 Program authorizing the Creation of Renewable  
10 Energy Credits (RECs) and Extended Use of Interim  
11 Tracking System. Kate.

12 MS. ZOCCHETTI: Thank you. Good morning,  
13 Chair and Commissioners. I'm Kate Zocchetti with  
14 the Renewable Energy Division. With me is Gabe  
15 Herrera, staff attorney.

16 We are seeking approval of Item 10 of a  
17 resolution that would establish a process in the  
18 Renewables Portfolio Standard to allow the  
19 Executive Director to request the retroactive  
20 creation of renewable energy credits in the  
21 Western Renewable Energy Generation Information  
22 System (WREGIS), and to extend the deadline for  
23 local publicly-owned electric utilities (POUs),  
24 you can see why we use acronyms, to use the Energy  
25 Commission's interim tracking system from October

1 2012 through December 2013.

2           The Energy Commission adopted guidelines  
3 that describe the requirements for the retail  
4 sellers and the POUs to track and report their RPS  
5 procurement and the process the Energy Commission  
6 uses to verify compliance with RPS. The RPS  
7 Eligibility Guidebook is revised periodically to  
8 respond to changes in the law and to lessons  
9 learned from program implementation.

10           We are using the resolution process today  
11 to seek the Commission's approval of staff's  
12 proposals because of several timing issues.  
13 First, WREGIS rules were recently revised to allow  
14 an entity other than the State to pay WREGIS  
15 directly for the costs associated with retroactive  
16 REC creation.

17           Other pressing issues are timing  
18 constraints caused by how far back we will allow  
19 the creation of retroactive RECs and the 36-month  
20 lifespan of all RECs before they must be retired  
21 for the RPS.

22           Lastly, several POUs reported using the  
23 interim tracking system for generation after the  
24 Commission's October 2012 deadline to do so.

25           If adopted, the contents of this

1 resolution will be incorporated into the next  
2 edition of the RPS Guidebook when it is revised,  
3 which is planned for early next year. Details  
4 about these proposals were publicly noticed on  
5 September 26th, a revised notice was published on  
6 October 1st to address minor formatting and  
7 numbering errors. Parties were asked to submit  
8 written comments by October 3rd, and to date we  
9 have received 10 comments.

10           The enabling RPS legislation required the  
11 Energy Commission to design and implement an  
12 accounting system to ensure that the electricity  
13 generated by an eligible resource is counted only  
14 once for purposes of meeting the RPS of this state  
15 or any other state, and to verify retail product  
16 claims.

17           To meet this mandate, the Energy  
18 Commission implemented the development of WREGIS  
19 to track renewable energy generation in the  
20 Western Interconnect. WREGIS creates a Renewable  
21 Energy Credit, or WREGIS Certificate, for each  
22 eligible megawatt hour of generation reported to  
23 the system. Until WREGIS became operational, the  
24 Commission used an Interim Tracking System, or  
25 ITS, to verify RPS procurement. The RPS Guidebook

1 required retail sellers to use WREGIS in 2009.  
2 Beginning in 2011, the law required the POUs to  
3 meet 33 percent RPS by 2020 and the Guidebook  
4 allowed the POUs to use the ITS until October  
5 12th, and thereafter to use WREGIS. However, if a  
6 facility is not registered in WREGIS, the RPS  
7 Guidebook does not currently have a process, nor  
8 does it specify conditions and requirements for a  
9 representative of a facility to seek creation of  
10 Renewable Energy Credits for generation prior to  
11 when the facility was in WREGIS. Further, WREGIS  
12 only allows the creation of retroactive RECs upon  
13 request from a state or energy program that  
14 requires them. And the program must specify the  
15 length of time for their creation.

16           So today staff proposes that the  
17 Commission consider adopting such a process in  
18 Resolution 14-1007-10. In addition, the  
19 Resolution includes staff's proposal for a limited  
20 extension for POUs to use the ITS after October  
21 2012 and through December 31st, 2013, which was  
22 the end of the first RPS compliance period. The  
23 resolution is available on the back materials for  
24 this agenda item and on the Commission's website.

25           I'd like to summarize the Resolution's key

1 items for you. The request for retroactive REC  
2 creation can only be submitted by an authorized  
3 representative of the facility and the facility  
4 must be RPS certified and registered and approved  
5 in WREGIS at the time of the request. The request  
6 must be submitted to the Executive Director and  
7 include pertinent information about the facility,  
8 the months and years of the applicable generation,  
9 which can be no earlier than two years in the  
10 past, and an explanation of the reasons for the  
11 request. The request must contain a signed  
12 attestation that the generation has not been sold,  
13 traded, or otherwise transferred to another party,  
14 or used to satisfy any other program.

15 To protect against the potential for  
16 double-counting, the applicant must submit an  
17 audit prepared by an independent accountant or  
18 certified internal auditor that confirms that the  
19 renewable energy credits were not sold, traded, or  
20 transferred to any party. And the auditor must  
21 identify the other party and the corresponding  
22 information to the Commission if it is found that  
23 they were traded or transferred.

24 If WREGIS creates retroactive RECs, they  
25 shall not be used to satisfy the RPS unless the

1 audit is submitted to the Commission within 90  
2 days of the facility's request. If the Executive  
3 Director approves the request, he will do the  
4 following: notify the authorized representative of  
5 the facility that the request for creation of  
6 retroactive RECs has been approved by the  
7 Commission subject to any specified conditions,  
8 and will be forwarded to WREGIS for its  
9 consideration and approval. The Executive  
10 Director will request WREGIS to create retroactive  
11 RECs consistent with the Executive Director's  
12 approval and in accordance with the WREGIS  
13 Operating Rule 12.9. He will request WREGIS staff  
14 to invoice the authorized representative of the  
15 generating facility for all costs and expenses  
16 incurred by WREGIS staff to create the retroactive  
17 RECs.

18 Now moving on to the extension of the ITS.  
19 The extension for the POU's to use the extended ITS  
20 from October 2012 through December 31, 2013 is  
21 limited to generation from facilities owned by or  
22 serving POU's for the months during which reporting  
23 is not available in WREGIS. Generating facilities  
24 and POU's using the ITS must meet additional  
25 requirements in the RPS Guidebook, including

1 submitting monthly generation data for the entire  
2 calendar year for which WREGIS data are  
3 unavailable, and submitting an eTag summary report  
4 for that time period.

5           A POU using the extended ITS must report  
6 the required reports and documentation listed  
7 above and required by the Guidebook within 30  
8 calendar days after adoption of this Resolution.  
9 Aggregated generating facilities, which is a group  
10 of facilities with similar characteristics that  
11 must be registered in WREGIS also as an aggregated  
12 unit in order to be RPS certified shall not be  
13 allowed to use the Interim Tracking System.

14           And lastly, beginning January 1, 2014, all  
15 generation and procurement data must be tracked  
16 and reported using WREGIS. That concludes my  
17 presentation. We're happy to answer any questions  
18 you may have.

19           CHAIRMAN WEISENMILLER: Great, thank you.  
20 We have two staff comments, I believe, on this,  
21 they're both on the phone, and so let's take those  
22 and then we'll go to questions. Let's start with  
23 Mike Muston of Atoka Energy.

24           MR. MUSTON: Yes, this is Mike Muston with  
25 Atoka Energy and I first wanted to just thank

1 Commission staff for their diligence in addressing  
2 this issue and, second, request approval. Thank  
3 you.

4 CHAIRMAN WEISENMILLER: Okay. And we also  
5 have on the line a representative of the Center  
6 for Resource Solutions, Rachel Terada.

7 MS. TERADA: Hey, this is Rachel Terada  
8 with the Center for Resource Solutions, or CRS is  
9 quite all right. Thank you so much for the  
10 opportunity to provide comments on this proposed  
11 process for creating retroactive RECs. CRS, we're  
12 the nonprofit that administered Green-e Energy to  
13 North America's leading independent certification  
14 and consumer protection program for renewable  
15 energy sold in the voluntary market. And we  
16 certify and verify about three-quarters of the  
17 U.S. voluntary renewable energy market, and an  
18 even higher proportion of U.S. voluntary REC  
19 sales, and really our role is to protect the  
20 voluntary consumer against double-counting and  
21 false claims, and make sure that the purchaser of  
22 that renewable energy is receiving all of the  
23 attributes of renewable generation that they were  
24 promised. So, really, we're very much in support  
25 of this proposed process to create retroactive

1 RECs as it's written by staff, including the  
2 requirement for auditors to verify that those  
3 megawatt hours have not already been claimed and  
4 counted. It's really important to have this  
5 thorough process in place to help ensure that  
6 double-counting doesn't occur.

7           And for our program, the majority of RECs,  
8 about 55 percent verified by Green-e Energy are  
9 tracked in an electronic tracking system like  
10 WREGIS, but we don't currently require the use of  
11 a tracking system, so really to maintain integrity  
12 in the marketplace, we are strongly in support of  
13 the proposed requirement for auditors who obtain a  
14 letter from the state and voluntary program  
15 administrators for which retroactive RECs are  
16 eligible.

17           In addition to our voluntary program, not  
18 all State programs require the use of tracking  
19 systems and there are some RPSSs that don't have  
20 any geographic restrictions on RECs, so it's  
21 really important to check with these programs,  
22 especially for RECs that have already been claimed  
23 and verified outside of tracking systems. The  
24 proposed process would help avoid potential  
25 double-counting.

1           I do want to note that there may be costs  
2 associated with auditor information requests to  
3 those State and voluntary and that CRS as a  
4 nonprofit organization might need to charge a  
5 small fee to cover our costs to provide the  
6 requested research or documents. I would be happy  
7 to answer any questions, but again I just really  
8 want to thank staff for their work on this  
9 proposal and the opportunity to provide comments.  
10 Thank you.

11           CHAIRMAN WEISENMILLER: Thank you.  
12 Commissioners, questions, comments?

13           COMMISSIONER HOCHSCHILD: Well, let me  
14 thank staff and I would move the item and I have a  
15 request when we're done with that.

16           COMMISSIONER MCALLISTER: I'll second.

17           CHAIRMAN WEISENMILLER: Okay, all those in  
18 favor?

19           (Ayes.) This item passes 4-0.

20           COMMISSIONER HOCHSCHILD: Mr. Chairman,  
21 with your indulgence, I just wanted to take a  
22 minute. Kate, could you please stand up? So Kate  
23 is going to be retiring after nearly 20 years at  
24 the Energy Commission next month, and I just want  
25 to say on behalf of all of us, Kate, I really

1 appreciated your diligence, your enormous  
2 repository of information, which is a library of  
3 information that I don't think anyone else has.  
4 And it's not an easy job, in many cases the things  
5 you're asked to do, this item is an example, are  
6 somewhat mind numbing, but they're actually  
7 totally critical to the success of our clean  
8 energy goals in the State, and you get pulled in a  
9 lot of different directions responding to requests  
10 for information from Commissioners, the Governor's  
11 Office, the Legislature, and stakeholders, and you  
12 do it all with grace and dignity and incredibly  
13 hard work. And so on behalf of all of us, I want  
14 to thank you for your service. (Applause)

15 MS. ZOCCHETTI: Thank you very much. I  
16 will miss everyone. Thank you for your support of  
17 this item.

18 COMMISSIONER MCALLISTER: Thanks for  
19 sticking around to get a lot of the critical work  
20 here done because she threatened to retire a while  
21 ago, and I don't know who it was that convinced  
22 her to stay around, maybe it was you.

23 COMMISSIONER HOCHSCHILD: I twisted her  
24 arm.

25 COMMISSIONER MCALLISTER: But thank you.

1 MS. ZOCCHETTI: Thank you very much.

2 CHAIRMAN WEISENMILLER: Yeah, thank you.

3 Let's go on to Item 11, American Biodiesel, Inc.

4 DBA Community Fuels. Andre Freeman, please.

5 MR. FREEMAN: Good morning, Commissioners.

6 My name is Andre Freeman and I work here in the  
7 Fuels and Transportation Division's Emerging Fuels  
8 and Technologies Office. Today I'm seeking  
9 approval of an agreement with American Biodiesel,  
10 currently doing business as Community Fuels, to  
11 expand the operating capabilities of their  
12 existing biodiesel production facility.

13 This project would utilize funding that's  
14 providing by the Energy Commission's Alternative  
15 and Renewable Fuel and Vehicle Technology Program  
16 and Community Fuels would provide an additional  
17 over \$6.7 million of match funding.

18 Community Fuels currently operates its  
19 biodiesel production facility at the Port of  
20 Stockton. It has a production capacity of  
21 approximately 10 million gallons per year that is  
22 currently being scaled up to 15 million gallons  
23 per year. After optimizations are implemented and  
24 additional equipment installed, Community Fuels  
25 expects to achieve production rates of up to 20

1 million gallons per year.

2           The long term goals for this facility are  
3 to continue incremental expansion to meet the  
4 changing demand of California's diesel market,  
5 which has a current demand of over three billion  
6 gallons per year. Although this facility can  
7 currently process numerous types of feedstocks,  
8 this agreement before you would allow Community  
9 Fuels to install the equipment necessary to  
10 process waste, grease, and agricultural feedstock  
11 products that have high levels of free fatty  
12 acids.

13           Based on current carbon intensity values  
14 established by the California Low Carbon Fuel  
15 Standard, staff estimates this project would allow  
16 Community Fuels to produce over six million  
17 gallons of biodiesel that has a carbon intensity  
18 of more than 90 percent lower than conventional  
19 petroleum-based diesel. This lower carbon  
20 intensity value fuel will allow Community Fuels to  
21 accrue LCFS, Low Carbon Fuel Standard, and  
22 Renewable Fuel Standard credits that will help  
23 support their business model over the long term.

24           This project will also help create over 10  
25 direct jobs and many more jobs resulting from the

1 growing supply chain for this biodiesel production  
2 plant. A large number of these companies are  
3 located in economically distressed area of  
4 Stockton and Community Fuels usually likes to keep  
5 their business partnerships local when at all  
6 possible.

7           In accordance with the California  
8 Environmental Quality Act Guidelines, staff has  
9 reviewed the Port of Stockton's Environmental  
10 Impact Reports, has no information indicating that  
11 the environmental documentation is inadequate, and  
12 has considered this information in deciding  
13 whether to recommend approval of this proposed  
14 agreement. Staff is asking the Commission for two  
15 actions today, the first is to adopt the proposed  
16 resolution determining that with existing  
17 mitigation incorporated in the Addendums to the  
18 original Environmental Impact Report, this  
19 project's potential environmental impacts will be  
20 less than significant and, second, that the  
21 Commission approve proposed Grant Award ARV-14-  
22 024.

23           With that, I'd like to thank you for your  
24 consideration of this item and I believe we have  
25 Lisa Mortenson, the CEO of Community Fuels on the

1 phone to answer any questions you may have. Oh,  
2 it looks like she may not have been able to stick  
3 around.

4 CHAIRMAN WEISENMILLER: Let me ask one  
5 question, which is, has this item gone through the  
6 review by Commissioner Scott?

7 MR. FREEMAN: Yes, it has.

8 CHAIRMAN WEISENMILLER: And she approved  
9 it? Yeah, thank you. Any other questions or  
10 comments?

11 COMMISSIONER DOUGLAS: No. I'll move  
12 approval of this item.

13 COMMISSIONER MCALLISTER: I'll second.

14 CHAIRMAN WEISENMILLER: All those in  
15 favor?

16 (Ayes.) This item passes 4-0. Thank you.  
17 Let's go on to Item 12, Sacramento Area Council of  
18 Governments. Samuel Lerman, please.

19 MR. LERMAN: Good morning, Commissioners.  
20 My name is Sam Lerman from the Fuels and  
21 Transportation Division.

22 Item 12 is a proposed resolution to  
23 approve a \$498,677 Electric Vehicle Charging  
24 Station Grant with the Sacramento Area Council of  
25 Governments under the Alternative and Renewable

1 Fuel and Vehicle Technology Program. This project  
2 seeks to install and commission three DC Fast  
3 Chargers in grocery store parking lots in the  
4 Sacramento Area. The project team will also work  
5 with host locations to help advertise the chargers  
6 and help them educate their existing consumer base  
7 on the benefits of Electric Vehicles.

8           The DC Fast Charging Stations will be  
9 hosted by each of the three grocery stores that  
10 will be owned, operated, and maintained by SMUD.  
11 Another goal of this agreement is to begin  
12 implementing the Sacramento Region's Plug-In  
13 Electric Vehicle Infrastructure Readiness Plan and  
14 to use the results of this grant as a model for  
15 future Electric Vehicle charging station  
16 installations for property owners, businesses, and  
17 public agencies in the Sacramento area.

18           So I request your approval of this item  
19 and I welcome any questions you may have.

20           CHAIRMAN WEISENMILLER: Okay, thank you.  
21 Let me start with the first question which is, has  
22 this item been reviewed and approved by  
23 Commissioner Scott?

24           MR. LERMAN: Yes, yes it has.

25           CHAIRMAN WEISENMILLER: Thank you.

1 Commissioners, any other questions or comments?

2           COMMISSIONER MCALLISTER: I would just  
3 note this item and the following I think also, but  
4 just in general, we're getting into the ARFVTP  
5 realm of the meeting, so just in general I wanted  
6 to highlight the reason why we're doing all this,  
7 which is to get resources out there to improve our  
8 infrastructure, install infrastructure so we  
9 create options for transportation for people, so  
10 this clearly fits within that. Fast Charging is a  
11 key piece of the puzzle for making it viable for  
12 people to drive these new cars. So I'm supportive  
13 of this item. So I will move Item 12.

14           COMMISSIONER HOCHSCHILD: Second.

15           CHAIRMAN WEISENMILLER: All those in  
16 favor?

17           (Ayes.) This item passes 4-0. Let's go  
18 on to Item 13, South Coast Air Quality Management  
19 District. Sharon Purewal, please. I would  
20 appreciate it if you would anticipate my one  
21 question.

22           MS. PUREWAL: Good morning. My name is  
23 Sharon Purewal. I'm an Energy Analyst with the  
24 Fuels and Transportation Division in the Emerging  
25 Fuels and Technologies Office. Today staff is

1 seeking approval of a proposed resolution to  
2 approve Amendment 1 to ARV-12-053, which is an  
3 existing \$300,000 grant with the South Coast Air  
4 Quality Management District to augment their  
5 agreement by an additional \$420,000 and to extend  
6 their original term by 22 months.

7           This project entails installing 20 direct  
8 current fast chargers at electric vehicle fast  
9 chargers at Ralphs and Albertson Supermarkets  
10 throughout the South Coast Air Basin.

11           Additional funding is requested in order  
12 to purchase and install direct current fast  
13 chargers with both the Society of Automotive  
14 Engineers' combo standard, which I will refer to  
15 as the SAE Combo Standard, and CHAdeMO, which is  
16 the trade name of a quick charging battery  
17 electric vehicle charging station, in order to  
18 serve a greater number of Electric Vehicle drivers  
19 in the South Coast Air Basin.

20           When the South Coast Air Quality  
21 Management District was awarded their grant in  
22 2013, the SAE Combo Standard was not yet  
23 available. The original agreement only required  
24 the installation of the CHAdeMO electric vehicle  
25 charging protocol; however, the original

1 solicitation and the scope of work required the  
2 ability to add the SAE Combo charging protocol to  
3 each site. The incremental costs will be less  
4 expensive compared with installing only one  
5 charging protocol and retrofitting at a later  
6 date. Additional time is also requested in order  
7 for purchase and installation of these chargers,  
8 as well as to ensure that we receive these six  
9 months of data collection as required per their  
10 agreement with the California Energy Commission.

11 In summary, staff is requesting the  
12 Commissioners' support and approval for the  
13 proposed Resolution to amend the existing  
14 agreement, ARV-12-053, with the South Coast Air  
15 Quality Management District listed as Item 13 on  
16 the agenda. Thank you for your time and  
17 consideration and we are available for any  
18 questions that you may have.

19 CHAIRMAN WEISENMILLER: Okay, so was this  
20 reviewed and approved by Commissioner Scott?

21 MS. PUREWAL: Yes, it was.

22 CHAIRMAN WEISENMILLER: Thank you.  
23 Commissioners, any other questions or comments?

24 COMMISSIONER DOUGLAS: No, no additional  
25 questions or comments. I think it sounds very

1 good. I'll move approval of this item.

2 COMMISSIONER MCALLISTER: Second.

3 CHAIRMAN WEISENMILLER: Okay, all those in  
4 favor?

5 (Ayes.) This item also passes 4-0. Thank  
6 you.

7 MS. PUREWAL: Thank you.

8 CHAIRMAN WEISENMILLER: So let's go on to  
9 Item 14, South Coast Air Quality Management  
10 District again. And Sarah Williams.

11 MS. WILLIAMS: Hello Commissioners and  
12 Chairman. My name is Sarah Williams with the  
13 Emerging Fuels and Technologies Office, and this  
14 item is to amend Agreement ARV-10-035. This is  
15 with South Coast Air Quality Management District,  
16 they are upgrading a natural gas station in  
17 Ontario at the UPS facility. Originally they  
18 anticipated they needed to increase capacity, so  
19 the project included adding a very large and  
20 expensive tank. In the meantime, they have  
21 improved the delivery source so that they get  
22 their deliveries regularly and with the frequency  
23 where they do not need the extra capacity, and so  
24 we are reducing the scope and the cost of the  
25 project to remove that tank from the project. The

1 match will be reducing from \$1.4 million to  
2 \$386,000, and the Energy Commission share will be  
3 reducing from \$300,000 to \$96,000, roughly.

4 This will not change the benefits we get  
5 from this project as the increased delivery means  
6 that it will still provide the same availability  
7 of natural gas to the traffic in the area, and  
8 staff requests that you approve this amendment to  
9 ARV-10-035, and I am happy to answer any questions  
10 you may have. And Commissioner Scott has reviewed  
11 and approved this item.

12 CHAIRMAN WEISENMILLER: Thank you.  
13 Commissioners, any other questions or comments?

14 COMMISSIONER HOCHSCHILD: I move the item.

15 COMMISSIONER MCALLISTER: Diversity of  
16 transportation fuel sources is good. I'll second.

17 CHAIRMAN WEISENMILLER: All those in  
18 favor?

19 (Ayes.) This also passes 4-0.

20 So let's go on to Item 15, South Coast Air  
21 Quality Management District, and again Sarah  
22 Williams.

23 MS. WILLIAMS: Good morning again. This  
24 item, Item 15, is related to Agreement ARV-10-054  
25 which funds several compressed natural gas and

1 liquid natural gas stations throughout the  
2 Southern California Area Air District. We had two  
3 different stations that have been deemed unable to  
4 complete under this agreement, one of them is the  
5 West Covina Station where South Coast still  
6 intends to do that station, but will not be able  
7 to complete it within the time allowable by our  
8 funding, and the other is the station at Lake  
9 Arrowhead where the sub-recipient decided that  
10 that was not something they were interested in at  
11 this time. So those two stations are falling out  
12 of this agreement.

13 To replace that, we are adding a station  
14 in Paris, California. The two stations that we  
15 are taking out were both upgrades to compressed  
16 natural gas stations, this would be a brand new  
17 liquid natural gas station, and so although it  
18 seems like we're taking two station worth of  
19 funding for one station, it is actually comparable  
20 to the costs normally associated with those  
21 stations.

22 We are also extending the term of the  
23 agreement to October 31, 2015 to allow for the  
24 data collection necessary under our agreements  
25 after the construction is complete. Staff asks

1 that you approve this amendment and I'm available  
2 for questions, and this has been reviewed and  
3 approved by Commissioner Scott.

4 CHAIRMAN WEISENMILLER: Thank you.  
5 Commissioners, any questions or comments?

6 COMMISSIONER MCALLISTER: There is  
7 additional funding associated with this? Or is it  
8 comparable?

9 MS. WILLIAMS: No, the funding stays  
10 absolutely the same. The two natural gas stations  
11 were each at \$200,000, and so instead of that,  
12 \$400,000 is going to one liquid natural gas.

13 COMMISSIONER MCALLISTER: Okay, well, I  
14 appreciate the flexibility and kind of working  
15 with meeting the needs of the actual world out  
16 there in the marketplace to make stuff happen, so  
17 I'm supportive of this. So I'll move Item 15.

18 COMMISSIONER DOUGLAS: Second.

19 CHAIRMAN WEISENMILLER: Okay, all those in  
20 favor?

21 (Ayes.) This passes again 4-0. Thank  
22 you.

23 MS. WILLIAMS: Thank you.

24 CHAIRMAN WEISENMILLER: Let's go on to  
25 Item 16, Tulare City School District. Deborah

1 Godfrey.

2 MS. GODFREY: Good morning. I'm Deborah  
3 Godfrey with the Local Assistance and Financing  
4 Office of the Energy Efficiency Division.

5 I'm here to request your approval for  
6 Agreement 002-14-ECG for a \$3 million ECAA Ed Loan  
7 at zero percent interest to the Tulare City School  
8 District to install 860.5 kilowatt photovoltaic  
9 panels on the parking structures of the District's  
10 eight schools. The total project costs are  
11 estimated to be \$3,433,430; the District will fund  
12 this amount using other funds.

13 On completion the project will generate  
14 1,153 megawatt hours of electricity annually,  
15 saving the District approximately \$159,481 in  
16 utility costs. In addition, the project will  
17 reduce 406 tons of carbon dioxide equivalent  
18 greenhouse gas emissions every year.

19 Based on this loan amount, the simple  
20 payback is 18.8 years. This loan fulfills the  
21 requirements of the ECAA Ed Loan Program. I  
22 request your approval of this loan and I'm  
23 available to answer any questions you may have.

24 CHAIRMAN WEISENMILLER: Thank you.  
25 Commissioners, any questions or comments?

1           COMMISSIONER HOCHSCHILD: Just curious,  
2 who is taking the ITC in this transaction? If  
3 you, I mean, is it a PPA or how is the project  
4 structured?

5           MS. GODFREY: Unfortunately, I'm covering  
6 for someone who is on vacation, so you may have  
7 somebody here.

8           CHAIRMAN WEISENMILLER: Very good. Please  
9 introduce yourself.

10          MR. STOECKER: Hello, my name is Doug  
11 Stoecker, I'm with TerraVerde Renewable Partners  
12 and we were retained by the District to put  
13 together an energy efficiency program, which in  
14 this case includes a broad range of measures and  
15 solar being one of them. So the ITC will  
16 basically be uncaptured as the District is  
17 purchasing this.

18          COMMISSIONER HOCHSCHILD: All right.

19          COMMISSIONER MCALLISTER: Thanks. Yeah,  
20 so I wanted to just make the pitch for integrated  
21 projects. I really appreciate, I know  
22 TerraVerde's work and a few others in the  
23 marketplace really focusing on packaging,  
24 integrated, sort of a broad array of measures  
25 including self-generation, including energy

1 efficiency of many types, depending on the needs  
2 of the particular facility, and I think that is  
3 best practice. And I respect the loading order,  
4 it creates a more livable and workable indoor  
5 environment, just all around the best approach.  
6 And so our policy needed to kind of see that we  
7 have the loading order in place, but I think,  
8 again, intentionality is good to project that best  
9 practice is really what we're looking for and I  
10 appreciate the scope of this project.

11 MR. STOECKER: Thank you very much. One  
12 of the reasons that the payback is longer is  
13 because we have actually done so much in advance  
14 to knock down the avoided costs. Thank you, I  
15 appreciate that.

16 COMMISSIONER MCALLISTER: No, in fact, in  
17 kind of an odd way, having a longer payback means  
18 that you're not just doing low hanging fruit, I  
19 mean, that's kind of a perennial problem that  
20 people want to do the stuff that has the quick  
21 payback, and they draw a firm line, you know,  
22 anything below five years; well, that guarantees  
23 that the remaining items have an even longer  
24 payback if you don't compensate them with  
25 something that has got a quick payback, so that

1 portfolio approach is really the way you get the  
2 deep savings, so I really want to commend you for  
3 scoping the project like that.

4           COMMISSIONER HOCHSCHILD: I completely  
5 concur with those comments. I was just curious,  
6 though, I mean for the remaining two years while  
7 the 30 percent ITC is in place, I mean, did you  
8 look at ways that could be captured. It just  
9 doesn't sort of make sense to structure it in a  
10 way that --

11           MR. STOECKER: Yeah, so we did look at  
12 alternatives and explored them with the District,  
13 including Power Purchase Agreements and so forth;  
14 basically they have an ownership strategy and,  
15 although there were some benefits there to  
16 capture, the closest we came was in looking at  
17 negotiating a very favorable buyout in the sixth  
18 year of a Power Purchase Agreement, hoping that we  
19 could capture those benefits, have an ownership  
20 flip, and then run from there as an owner. But  
21 the district is very committed to energy  
22 conservation, this is actually part of a much  
23 larger program. You'll see some really  
24 interesting things coming out soon in a release  
25 once we have all the contracts sewn up, but this

1 is going to be a really kind of landmark project  
2 and the District, they're actually quite hopeful  
3 that they're going to be able to pay down and own  
4 all of the assets that are included in the project  
5 within about 10 years, and they're very mindful of  
6 leaving a legacy where the District is basically  
7 unencumbered and has an energy security, if you  
8 will.

9           COMMISSIONER HOCHSCHILD: Great, well  
10 thank you for your work on this.

11           MR. STOECKER: Thank you.

12           CHAIRMAN WEISENMILLER: Thank you.  
13 There's certainly been some literature that  
14 suggests that the banks get more comfortable with  
15 solar, but that things may shift out of the  
16 lease/purchase, or PPA mode, more to direct  
17 purchase.

18           COMMISSIONER MCALLISTER: A lot of this, I  
19 mean, as you say, is driven by the favorable tax  
20 treatment for the near term, and after that it's a  
21 little bit about how the financial markets are  
22 most comfortable putting capital into these  
23 things. But interesting times right now on that.

24           COMMISSIONER HOCHSCHILD: I'll move the  
25 item.

1 COMMISSIONER MCALLISTER: I'll second.

2 CHAIRMAN WEISENMILLER: All those in  
3 favor?

4 (Ayes.) This items passes 4-0.

5 Let's go on to Item 17, Kern Community  
6 College District. Also Deborah Godfrey, please.

7 MS. GODFREY: Good morning. I'm here to  
8 request your approval of Agreement 004-14-ECG for  
9 a \$3 million ECAA Ed Loan at zero percent to the  
10 Kern Community College District to install one  
11 megawatt photovoltaic panels at the District's  
12 Porterville College Parking Lot.

13 The total project costs are estimated at  
14 \$3,758,400, the District will fund this remaining  
15 \$758,400 using additional funding sources. Upon  
16 completion, the project will generate 1,578  
17 megawatt hours of electricity annually, saving the  
18 District approximately \$153,475 in utility costs.  
19 In addition, the project will reduce 556 tons of  
20 carbon dioxide, the equivalent greenhouse gas  
21 emissions every year.

22 Based on this loan amount, the simple  
23 payback is 19.5 years. Again, this loan fulfills  
24 the requirements of the ECAA ED Loan Program, and  
25 we request your approval of this loan, and

1 hopefully we can answer any questions you may  
2 have.

3 CHAIRMAN WEISENMILLER: Thank you.  
4 Commissioners, any questions or comments?

5 COMMISSIONER HOCHSCHILD: I guess one  
6 question is just for these PV parking lots which  
7 are terrific and provide shading and so on, is  
8 there a plan to do EV chargers along with that  
9 that you're aware of?

10 MS. GODFREY: Not that I'm aware of.

11 COMMISSIONER HOCHSCHILD: Okay. I would  
12 move the item.

13 COMMISSIONER MCALLISTER: And I'll second.

14 CHAIRMAN WEISENMILLER: All those in  
15 favor?

16 (Ayes.) This item passes 4-0. Thank you.

17 MS. GODFREY: Thank you.

18 CHAIRMAN WEISENMILLER: Let's go on to  
19 Item 18, Yuba Community College District. This is  
20 Joseph Wang.

21 MR. WANG: Good morning, Commissioners.  
22 My name is Joseph Wang. I'm the Project Manager  
23 from the Energy Efficiency Division.

24 Yuba Community College District is  
25 applying for a \$710,000 ECAA Ed Loan to install a

1 new energy management system and variable  
2 frequency drive control in the new pressure tank  
3 at Yuba Community College campus.

4           During the energy audit, the consultant  
5 found out that one of the energy management  
6 systems was broken and not working; in addition,  
7 several existing air handler economizers and  
8 dampers are broken, also damaged and not  
9 operational. And the District also has three  
10 existing well pumps and a pressure tank for ground  
11 irrigation. Because the storage tank is leaking,  
12 two pumps need to operate continuously, 24 hours a  
13 day, to meet the irrigation demand. The old  
14 irrigation system has no control and is wasting a  
15 significant amount of energy.

16           The District would like to use the loan to  
17 replace the old and nonfunctioning automatic  
18 control system with a new direct digital control  
19 and repair and replace the old damaged economizer,  
20 dampers, and actuators in those air handlers.

21           In addition to the air handler repair and  
22 control, the new EMS, Energy Management System,  
23 will also be controlling the well pumps, as well  
24 as the exterior lights. The District will also  
25 install a variable frequency drive on the 100

1 horsepower well pump and a new pressure tank, so  
2 only one pump needs to run after the retrofit.

3           The projects are expected to save about  
4 402,973 kilowatt hours of electricity, and 11,347  
5 therms of natural gas annually. The estimated  
6 annual cost savings for this project is about  
7 \$73,692 with a simple payback of 9.6 years.

8           These efficiency measures are expected to  
9 reduce greenhouse gas emissions by 410,240 pounds  
10 annually. The staff has reviewed this project and  
11 is recommending the approval of this loan.

12           CHAIRMAN WEISENMILLER: Thank you.  
13 Commissioners, any questions or comments?

14           COMMISSIONER MCALLISTER: So this is the  
15 kind of project I get really excited about. I  
16 know it's just like variable speed drive and some  
17 water tank and stuff and not all that sexy, but  
18 this, I tell you, you don't replace this kind of  
19 equipment very often, and when you do you want to  
20 do it right. And it's capital intensive, costs a  
21 lot of money, doesn't happen every day, and  
22 between the last time they -- they put in this  
23 tank originally and whatever failed their failed  
24 EMS System is, and now technology is completely  
25 different. And so it's a huge opportunity to

1 install best available technology. Anyway, I do  
2 hope they have in place the maintenance and  
3 continuous commissioning in place now that they  
4 didn't seem to have to keep some of their original  
5 equipment running, that's always a concern, to  
6 make sure we pay attention once we put in the new  
7 equipment, but pumping is just a classic case of  
8 huge efficiency opportunity with variable speed  
9 technology. And they're doing other things that  
10 make sense at the same time to round the project  
11 out, so I think that's, again, a good practice.  
12 So it sounds like a great project and I'm fully  
13 supportive, so if nobody has comments, I'll move  
14 Item 18.

15 COMMISSIONER DOUGLAS: Second.

16 CHAIRMAN WEISENMILLER: All those in  
17 favor?

18 (Ayes.) This item passes 4-0. Thank you.

19 MR. WANG: Thank you.

20 CHAIRMAN WEISENMILLER: Let's go on to  
21 Item 19, the Minutes. I need to abstain since I  
22 wasn't here.

23 COMMISSIONER DOUGLAS: All right, I'll  
24 move the Business Meeting Minutes.

25 COMMISSIONER HOCHSCHILD: Second.

1           CHAIRMAN WEISENMILLER: All those in  
2 favor?

3           (Ayes.) So it's 3-0, I'm abstaining.

4           So let's go on to Item 20, Lead  
5 Commissioner and Presiding Member Reports.  
6 Commissioner McAllister.

7           COMMISSIONER MCALLISTER: All right, so  
8 I'll try to be brief. I have three things, one,  
9 this evening I'm heading down to Santa Barbara  
10 where the U.C. Office of the President is having a  
11 get together about their carbon neutrality goal,  
12 so President Napolitano has, one of the first  
13 things she did when she came in was say we want to  
14 go carbon neutral at the U.C. system. So they're  
15 now trying to figure out how they're going to do  
16 that and they have a little strategic session down  
17 there, so it's going to be fun. But Santa Barbara  
18 is the place to be because it's the place where  
19 the most recently minted Nobel Laureate sits, and  
20 I guess this morning in, what is it, Swedish time,  
21 the Nobel Prize for Physics was given out and it  
22 was to three scientists, two Japanese and one from  
23 the University of California Santa Barbara, Isamu  
24 Akasaki and Hiroshi Amano of Japan, and Shuji  
25 Nakamura of the University of California Santa

1 Barbara, and they are getting the Nobel Prize  
2 because they invited the Blue Light LED. And that  
3 was a game changer and it happened back in the  
4 early '90s and I think the world is a better place  
5 because of what they did, and that's a pretty  
6 fabulous testament to the ingenuity that keeps  
7 trying to succeed and actually eventually does.  
8 Everybody was trying to do this and they actually  
9 succeeded in doing it. We always had red and  
10 green LEDs, but the blue ones were really hard to  
11 make and these guys figured out how to do it and  
12 now we can have white LEDs, and now all of you  
13 have them in your homes and businesses, and we're  
14 going to have them in this hearing room, I think.

15           Anyway, I'll be happy to go down and join  
16 the party this evening and tomorrow because I'm  
17 sure it will be a topic of conversation, and I  
18 know when a Nobel gets awarded to somebody at  
19 Berkeley Lab, they get a free parking space, so  
20 I'm not sure, they have a good location with a  
21 little sign on it that says Nobel Laureate so and  
22 so, so maybe they'll do something equivalent in  
23 Santa Barbara, I don't know if parking is as big a  
24 thing there.

25           COMMISSIONER HOCHSCHILD: Parking is so

1 tight there, I think people get the Nobel Prize  
2 just for the parking.

3 COMMISSIONER MCALLISTER: Maybe he gets a  
4 little chair on the beach or something, that would  
5 be even better, I don't know. So anyway,  
6 congratulations to him and really we wanted to  
7 call that out and Chair Weisenmiller is very aware  
8 of that development, as well. So anyway, kudos to  
9 California.

10 The other two things I wanted to describe  
11 briefly were just a couple of visits I made  
12 recently, one with Commissioner Hochschild up to  
13 the KB Homes Development in El Dorado Hills, where  
14 they have a zero zero home that they did the  
15 ribbon cutting on the other day, a nice press  
16 event, it's getting a lot of good press, and  
17 justifiably so because they just packed that thing  
18 with incredible technology. It obviously has  
19 highly energy efficient shell and mechanical solar  
20 on the roof, but has a lot of innovative systems  
21 on the waterfront, as well. And the controls  
22 front, making sure that any heat that goes into  
23 that building gets generated or utilized within  
24 that building gets recycled into the water,  
25 conserving as much water as possible, just a lot

1 of really interesting technologies, a lot of it  
2 locally made in California. The windows were  
3 manufactured right here in California, triple-pane  
4 Argon filled windows, highly highly efficient.  
5 Beautiful house, great place to live, and with  
6 very very low energy and water costs. So quite  
7 amazing.

8           So that's one. And the day after that I  
9 went down to Oakland Unified School District to  
10 the ribbon cutting of the La Esquelita, which is a  
11 school, a little school, in Oakland Unified, and  
12 it's a net zero energy school, and it's CHPS  
13 certified, as well, so the Collaborative for High  
14 Performance Schools and the Energy Commission,  
15 we're involved in the event, as was one of the  
16 Supervisors of the School District, and some local  
17 elected, and Loni Hancock was there, Jodie London  
18 on the School Board was a driver of the project,  
19 and very impressive, just really signaled to the  
20 community that this is important to the School  
21 District, and the kids have a fantastically  
22 beautiful place to go study, and they have a  
23 health center there that's open to the whole  
24 community and provides a space for service  
25 providers to come in and provide health care

1 services to that community, which is a low income  
2 community. So clear signals out there that this  
3 school really wants to be a community center.  
4 They have an incredible media lab there that was  
5 highly energy efficient with all LED lighting, and  
6 these kids are getting professional training in  
7 how to get out there and do social media. And  
8 some of the quality of the work we saw was pretty  
9 amazing. They used a bunch of homegrown  
10 technologies, as well, the ceiling for the fans in  
11 there, and the air handling systems were  
12 beautiful, just quite a tremendous place to study,  
13 better than I certainly had when I was in school,  
14 and I really think it speaks highly, speaks  
15 volumes really about Oakland Unified. They've got  
16 a plan to update all their schools that's going to  
17 cost them another billion dollars in addition to  
18 all the Bonds that they've already done, so just  
19 to think about the scale there, they have deferred  
20 maintenance needs at their schools of a billion  
21 dollars, and the whole statewide Prop. 39 endeavor  
22 is \$2.5 billion, so you can see that the Prop. 39  
23 effort is a good start, but given that there are  
24 school districts all over the state that need  
25 resources, you know, the need is great, and they

1 are leading the way, and I really was impressed.  
2 So those are the two things I wanted to call out.

3 CHAIRMAN WEISENMILLER: Great. I'm going  
4 to pass it on and then come back. I've got some  
5 things from Janea to fill in behind the two of  
6 you, so Commissioner Douglas.

7 COMMISSIONER DOUGLAS: All right, well  
8 thank you for that. So on September 23rd, I went  
9 to Palm Springs to participate in an event  
10 announcing the release of the Desert Renewable  
11 Energy Conservation Plan, which was made available  
12 by Web on the 23rd, but formally published in the  
13 Federal Register on September 26th. The plan is  
14 now out for comment and I'm really delighted that  
15 it is out for comment, and I'm looking forward to  
16 seeing our stakeholders really dive in and get  
17 into the details of this, and ultimately seeing  
18 what they think and what their comments are. It's  
19 been a tremendous amount of work to get to this  
20 point on certainly our staff's side, and also our  
21 partner agencies, particularly Bureau of Land  
22 Management, California Department of Fish and  
23 Wildlife, and the U.S. Fish and Wildlife Service.  
24 The comment period closes on January 9th, so we  
25 have a number of public events scheduled in all of

1 the -- we've got at least one event in all of the  
2 DRECP Counties, we've done a webinar orienting  
3 people to database in which is a system that is  
4 available to help people really dig in to  
5 different aspects of the plan in terms of the  
6 mapping, and it's a tool available for commenting  
7 on the plan, although traditional commenting  
8 through more traditional forums such as sending a  
9 letter is also possible.

10           So in any case, it's been a long time in  
11 coming, I'm very happy to be able to make that  
12 announcement, and that's the only report I have.

13           CHAIRMAN WEISENMILLER: Let me do this  
14 part, and first I wanted to really congratulate  
15 you for getting this out, I know it's been a  
16 phenomenal phenomenal activity on your part with  
17 the Feds and certainly any number of staff, and  
18 Roger's shop, and I would note that Commissioner  
19 Scott from the Netherlands chimed in and asked me  
20 to add her congratulations to you on this, and for  
21 shepherding it to the release, and thank you for  
22 your dedication and leadership in this area.

23           COMMISSIONER DOUGLAS: All right, well,  
24 thank you. Thanks to all of you and thanks to  
25 Commissioner Scott in the Netherlands.

1                   COMMISSIONER MCALLISTER: All the weight  
2 lifting off of your shoulders as this thing went  
3 out there. Nice.

4                   COMMISSIONER HOCHSCHILD: Great work. So  
5 a few updates. I have two new folks who are  
6 working with me, one is Andrew who is actually not  
7 here, but the other is Melissa Lucar. Can you  
8 just stand up for a second? Melissa just started  
9 recently as a Fellow, she is originally from Peru,  
10 she is a third year law student at U.C. Davis, and  
11 really happy to have you on board. Thanks,  
12 Melissa.

13                   Just two quick updates, Commissioner Scott  
14 and I went to spend two days with the Military at  
15 Camp Pendleton and Coronado, very very impressed  
16 with what we saw they're doing on efficiency and  
17 renewables. They among other things are now  
18 comparing ships that come in, they have identical  
19 class destroyers that are docked next to each  
20 other, and one is using twice as much energy as  
21 the other, and so they're now actually comparing,  
22 and squadrons are being rated on that. And just  
23 behavioral changes alone, they're seeing huge huge  
24 reductions, and you know, I think as many of you  
25 saw, the military, the Navy just announced the

1 largest procurement of renewables ever, a gigawatt  
2 they're going to do in total by the end of next  
3 year, incredible momentum, the quality of the  
4 people that we met with, their dedication, their  
5 focus, really in both services with the visit to  
6 the Marines in Camp Pendleton we saw the Microgrid  
7 that we funded, which is going very well, and I've  
8 got to say, just hats off to the Military. It was  
9 enormously impressive.

10 I just also wanted to chime in on  
11 Commissioner McAllister and I visited this KB  
12 Homes Community, just a note, I think the New  
13 Solar Homes Program deserves enormous credit for  
14 getting this in because it really is the thing  
15 that kind of invites these builders to get into  
16 this type of building, and then you go and you see  
17 solar is only one feature, it's actually not even  
18 the biggest, then they start doing all these other  
19 things, energy efficiency and low water use yards,  
20 an electric car chargers, and all these other  
21 features, and now they're talking about wanting to  
22 recycled water ready houses in the same way we  
23 have solar ready houses in the Code. And they're  
24 actually marketing it as green living, so it's way  
25 beyond just having PV on the roof, but really a

1 lifestyle. And I will note there is a report, you  
2 know, home energy and mortgage risk, so you're 32  
3 percent less likely to default on your mortgage if  
4 you live in an energy efficient home. You know,  
5 yet another reason to be doing this. So very  
6 encouraging to see the progress of KB Homes and  
7 others that are doing this. I'm really happy to  
8 be supporting it. That's all for me.

9           CHAIRMAN WEISENMILLER: So let me start  
10 with the Netherlands. So Commissioner Scott asked  
11 me that, after you talked about the trip to the  
12 Navy Base in Camp Pendleton, to echo that she  
13 thought it was interesting and informative and she  
14 enjoyed the robust dialogue with the experts at  
15 each installation. And she noted that both bases  
16 are doing a lot of interesting energy things, CNE  
17 buildings, daylighting use of solar, and also  
18 exploring alternative fuels and transportation on  
19 non-tactical fleets, and basically a lot to learn  
20 each way. And also obviously she wanted to thank  
21 Jim Bartridge for setting up both your trips  
22 there. I would note, before I transition to mine,  
23 that I have monthly calls with Denny McGinn who  
24 is, I think people think of it as Jackie  
25 Pfannenstiel's replacement as Deputy Secretary, as

1 we try to work on energy issues. We also have  
2 periodic meetings on that down there with, you  
3 sort of walk in and there's like 30 or 40 people  
4 in uniform, to sort of push things along, and also  
5 Chris and I are having monthly meetings on  
6 interconnection issues which has certainly been a  
7 bane in the Navy and Marines' lives, so we seem to  
8 be making progress on both those fronts.

9           Three things I wanted to hit briefly, 1)  
10 the great news, or at least from my perspective, I  
11 was off on vacation, but when I came back it was  
12 sort of sad to see the sort of implosion at PUC,  
13 and I think part of thinking about lessons learned  
14 for us, one of the things that is really important  
15 is to maintain the public's confidence in the  
16 integrity of our processes, and I think  
17 Commissioner Douglas and I both went through a  
18 tough period of going through with staff to make  
19 sure that we really had lifted every rock in the  
20 area of potential conflicts. And having said  
21 that, you know, and it's certainly part of getting  
22 that resetting the relationship with the  
23 Legislature, but also getting people comfortable,  
24 was that we will push on making sure that we  
25 really, you know, particularly a lot of work from

1 the Chief Counsel's Office and the Executive  
2 Office, and it's probably time to remind people  
3 that, again, it's very important that we not have  
4 any conflicts which might lead people to doubt the  
5 integrity of our system. So certainly to the  
6 extent that Chief Counsel's Office and Executive  
7 Office can probe on that, it would be great.

8           Also, just two other things I wanted to  
9 mention, one is that today in the New York Times,  
10 along with an article on the LED Nobel Prize,  
11 there was an announcement that Fred Branfman died,  
12 and Fred was in the first Brown Administration,  
13 you know, certainly was an advisor to the  
14 Governor, a great guy, very bright, and the other  
15 two things I would note and certainly encourage  
16 people to look at it, is Fred had been a foreign  
17 aid worker in Laos in the '60s, and one of the  
18 things which he made public and has written a book  
19 on, I guess the book has just come back out in  
20 paperback, about the U.S. bombing campaign in  
21 Laos, which was at that point not anything, well,  
22 it was a state secret, but Fred really shined the  
23 light on that. And it gave you a sense of his  
24 intellectual acuity that not only did he work with  
25 Governor Brown on issues, but he was actually the

1 issues person for Gary Hart in his aborted  
2 Presidential campaign, and certainly Hart is also  
3 one of the premier politicians about thinking  
4 about issues, certainly those of us in that  
5 Administration will certainly miss Fred. Then  
6 this morning all of us were bouncing notes back  
7 and forth of Fred stories.

8           And on a happier note, I would note that I  
9 just want to make sure people knew, I got a very  
10 nice letter from Commissioner Picker, that is  
11 three pages, single space, I certainly will read  
12 it, but anyway, thanking us for the activity of  
13 Linda Kelly and her group on basically the PUC's  
14 activities dealing with Interconnection, that they  
15 really played a vital role on that, and oftentimes  
16 where a staffer is contributing in a collaborative  
17 fashion, there's not a lot of limelight for their  
18 contribution, so it was really nice that Michael  
19 really spent the time to think about it and also  
20 indicate to all the parties going forward that  
21 they will continue to play a key role as he tries  
22 to deal with the interconnection swaps. So,  
23 anyway, that was very nice.

24           So with that, Chief Counsel's Report.

25           MR. OGATA: Thank you, Chair Weisenmiller.

1 First of all, I want to thank the Commission for  
2 the opportunity to be Acting Chief Counsel for a  
3 few months and serve the Commission in that  
4 capacity. I'm looking forward to it.

5 COMMISSIONER MCALLISTER: What do you mean  
6 by a few? Could you define that?

7 MR. OGATA: Well, I'm anticipating that  
8 the Commission is going to take prompt action to  
9 hire a permanent chief counsel, so I'm just  
10 reflecting that possibility and hope.

11 CHAIRMAN WEISENMILLER: Well, actually I  
12 would note, we were already -- obviously your  
13 previous role was already pretty substantial in  
14 terms of contributions of the organization, so  
15 we're already worrying about that piece, but  
16 certainly appreciate you stepping forward here and  
17 doing this work.

18 MR. OGATA: I appreciate your trust. I do  
19 want to comment on Item 21(i) which is Helping  
20 Hand Tools vs. the Energy Commission, just to  
21 report that we will be filing a responsive  
22 pleading on the 16th of this month. And that  
23 concludes my report.

24 CHAIRMAN WEISENMILLER: Okay, thank you.  
25 Let's go on to Executive Director Report.

1 MR. BOHAN: Nothing to report, thank you.

2 CHAIRMAN WEISENMILLER: Okay, Public  
3 Advisor Report.

4 MS. MATTHEWS: One thing, good afternoon,  
5 Alana Matthews, one thing I'd like to update is  
6 last week I had the opportunity, I was invited to  
7 the World Trade Center of Northern California, and  
8 they've only been around for a couple years, but I  
9 was invited to speak to a delegation of women  
10 leaders from Central and Eastern Asia or Southeast  
11 Asia, and so there were a few women who were  
12 involved in Energy, so it was interesting to learn  
13 what developments they're working on.

14 Secondly, I'd like to introduce Alejandro  
15 Venegas who is now working with the Public  
16 Advisor's Office, an intern volunteer, and just  
17 welcome him here. Glad to have him.

18 CHAIRMAN WEISENMILLER: Welcome. Thank  
19 you for your public service.

20 And so with that, let's go to public  
21 comment. I believe we have one, Mr. Ruben  
22 Willmarth from Carrier.

23 MR. WILLMARTH: Good morning, actually  
24 good afternoon. I am Ruben Willmarth with the  
25 Carrier Company in the Ductless and VRF Department

1 and this is in regards to the recent restrictions  
2 of model ductless heat pump efficiency in the  
3 Residential ACM Manual. I want to echo the  
4 response of AHRI on July 15th, where we are deeply  
5 disappointed that the Commission has chosen to so  
6 completely limit the application of high  
7 efficiency ductless mini-splits in new  
8 construction applications by limiting them to a  
9 model deficiency of just 13 Seer with duct losses,  
10 without any formal notice, merely just a notation  
11 in the Errata of the ACM.

12           Carrier would like to point out that this  
13 restriction is unusually severe and inconsistent  
14 with the Commission's goal of advocating for  
15 higher efficiency as it will lead developers to  
16 choose a 14 or 15 Seer system instead of a  
17 significantly more efficient 18 or 22 Seer mini-  
18 split if they wish to use the full benefit of the  
19 performance method. This blanket restriction  
20 treats both the high efficiency and a minimum  
21 efficiency system exactly the same, instead of  
22 addressing the actual impact of charge  
23 verification which would be logical.

24           We do appreciation the Commission's desire  
25 to ensure that all HVAC installations are done

1 properly. We certainly are in full agreement with  
2 that. Since the efficiency benefit of charge  
3 verification is known, the logical approach would  
4 be to not allow the benefit where it is optional  
5 and discount it by the same amount where it is  
6 required. This addresses the real impact  
7 immediately until such measures are developed,  
8 reviewed, and finally approved by the Commission  
9 staff. The current decision is to reduce model  
10 deficiency over the minimum by more than 100  
11 percent, more because we must take losses for duct  
12 work that doesn't even exist. That's a salt on  
13 the wound.

14           That seems to us to be excessive and  
15 unnecessary by any technical measure. And we feel  
16 the CEC should be promoting the use of high  
17 efficiency equipment, not discouraging it. So we  
18 would hope that the Commission will revisit this  
19 decision and again allow consumers in California  
20 to have the broadest choice possible when selected  
21 a high efficiency system while still being  
22 realistic in the expected performance.

23           In the meantime, we look forward to  
24 working with the staff to develop the  
25 aforementioned protocols. Thank you.

1           CHAIRMAN WEISENMILLER: Thank you.

2 Commissioner McAllister, do you want to --

3           COMMISSIONER MCALLISTER: Yeah, I was  
4 going to say the same thing, I mean, I know  
5 there's discussions going on and I'm relatively --  
6 periodically relatively often getting updates  
7 about this issue, and I know Martha is probably  
8 your counterpart in those discussions, so I wanted  
9 her to comment on where things stand from this  
10 staff perspective.

11           MS. BROOK: Okay, hi, I'm Martha Brook  
12 with the Standards Development Office, and we have  
13 been working with Ruben and all the AHRI members,  
14 but not often lately. So we were actively working  
15 on figuring out how we can get these field  
16 verification protocols in place so that these  
17 systems could get the credit for the rated  
18 efficiency metrics. But we haven't concluded that  
19 work. So we've both been super busy over the  
20 summer and we haven't, to be honest, reengaged,  
21 and I think hopefully maybe this is a signal that  
22 we're ready to reengage and certainly have been  
23 every chance we get, staff have been letting  
24 everybody know, energy consultants, designers,  
25 product manufacturers, that all we need is their

1 help identifying what the field verification  
2 protocols ought to be for these ductless mini-  
3 split systems, you know, bring them forward for  
4 your approval and then we can give the performance  
5 credit that Ruben and others think that these  
6 products deserve. But right now, we have  
7 disparity because, you know, in my terms we  
8 micromanage this conventional HVAC system and we  
9 have all these field verification protocols in  
10 place for them, but we have nothing for this other  
11 class of equipment, and so it's unfortunate, but  
12 that's where we are, and we don't feel like it's  
13 appropriate to give excessive credit until we do  
14 have a level playing field in terms of verified  
15 infield performance.

16 COMMISSIONER MCALLISTER: Yeah, I think  
17 this is sort of emblematic of a process issue that  
18 is not unique, I think, to this particular  
19 technology, but that really, you know, this is  
20 about working with the marketplace and it does  
21 require teams to come together that involve the  
22 Energy Commission, but that mostly are driven by  
23 the market in quantifying rigorously to some level  
24 that we all can have confidence that it's real,  
25 quantifying the impacts, and the best operating

1 procedures are the proper operating procedures for  
2 getting this technology in place, and so there's a  
3 lot of new technologies coming out and we have to  
4 go through this process, so there's an interim  
5 period, and then there's a final result. And I  
6 know we all agree on the final result that we want  
7 here. And really, it's kind of the pathway to get  
8 there, right?

9 MR. WILLMARTH: The main issue is just  
10 that, and I completely understand that this takes  
11 time. And all we're asking for is to be treated  
12 fairly in that interim period. What's happened  
13 right now is basically a complete elimination of  
14 the extra efficiency benefits, and I think, if I'm  
15 not mistaken, in the modeling it's only about a  
16 seven percent rough improvement when you have the  
17 verification versus not, so if that's the amount  
18 then let's make it so we don't get that credit.  
19 That's perfectly acceptable. If we can't quantify  
20 what the extra benefit of field verification is  
21 yet, well, then don't provide extra credit for it.  
22 But we're talking sometimes, I imagine we have  
23 systems that are up to 30 seer, and so that can be  
24 less than half the energy use of a minimum  
25 efficiency system. So we wouldn't want to take

1 that off the table simply because we can't  
2 quantify the last seven percent. So all I'm  
3 asking is to base it on the actual impact of what  
4 we feel this measure might be, and then we can  
5 certainly dial it in and get it there.

6 COMMISSIONER MCALLISTER: I know you're  
7 already talking and I think you should probably  
8 reengage in the near term, and bring something  
9 more formal to the Commission. I think public  
10 comment is not exactly the place to have this  
11 conversation.

12 MS. BROOK: Right, right, right, so I  
13 mean, in terms of a suggested process, we can work  
14 with Ruben and his partners with the other product  
15 manufacturers to understand -- what I think  
16 they're proposing is an interim solution,  
17 understand that, bring it to you as the efficiency  
18 lead, and we can talk about it and bring a  
19 recommendation forward of whether we should have  
20 an interim solution before we get a field  
21 verification protocol in place.

22 COMMISSIONER MCALLISTER: Yeah, I mean,  
23 simplicity and rules of thumbs are kind of the  
24 realm that we're in in an interim way, and so  
25 we've just got to determine what makes the most

1 sense.

2 MR. WILLMARTH: Understand, and we can go  
3 off of existing research as the basis, and then  
4 refine it from there, certainly. And so I'm not  
5 asking for everything, just the portion that is  
6 not disputed, basically. Right now we get  
7 nothing. And that's again discouraging people  
8 from using high efficiency systems, which nobody  
9 wants, I know that. I don't this this was  
10 intended, it's an unintended consequence, and we  
11 unfortunately didn't have time to --

12 MS. BROOK: Yeah, I'm not quite sure if  
13 it's unintended because we did decide to do it.  
14 But, yeah, I don't want to waste anymore of your  
15 time, but I think the important part is we really  
16 don't feel we can trust that 30 Seer until we have  
17 a verification protocol that says, yeah, you're  
18 getting a 30 Seer piece of equipment installed in  
19 your home. So that's the big deal and we can work  
20 with them and figure out are we comfortable with  
21 an interim step, and then --

22 COMMISSIONER MCALLISTER: I'm going to cut  
23 off the conversation because I think there are  
24 better forums than public comment at a Business  
25 Meeting to talk about this. But I really

1 appreciate your being here and it's certainly a  
2 valid topic.

3 MR. WILLMARTH: Appreciate your time.  
4 Thank you.

5 CHAIRMAN WEISENMILLER: Yeah, no, let me  
6 certainly encourage you to work with the staff and  
7 Commissioner McAllister. And I was just going to  
8 check on whether your comments have been docketed.  
9 So you provided written documents, they're  
10 docketed, and I guess the one issue to work with  
11 Martha on is whether getting those into the right  
12 bucket in energy efficiency along with this  
13 particular hearing. Okay.

14 So with that, the meeting is adjourned.

15 (Whereupon, at 12:31 p.m., the Business Meeting was  
16 adjourned.)

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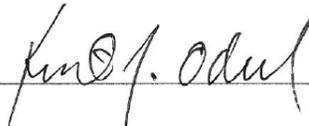


**REPORTER'S CERTIFICATE**

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of October 2014.



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Kent Odell  
CER\*\*00548

**TRANSCRIBER'S CERTIFICATE**

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were transcribed by me, a certified transcriber and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of October, 2014.

  
\_\_\_\_\_

Karen Cutler  
Certified Transcriber  
AAERT No. CET\*\*D-723