

State of California
California Energy Commission
Minutes of the July 8, 2015, Energy Commission Business Meeting

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

Present:

Robert B. Weisenmiller, Chair
Karen Douglas, Commissioner

J. Andrew McAllister, Commissioner
Janea A. Scott, Commissioner

The California Energy Commission honors Paul McCarthy and Harriet Kallemeyn with resolutions celebrating their careers and contributions to the California Energy Commission.

1. CONSENT CALENDAR. (Items on the Consent Calendar will be taken up and voted on as a group. A commissioner may request that an item be moved and discussed later in the meeting.)
 - a. CLEAN ENERGY STATES ALLIANCE, INC. Proposed resolution approving Agreement 500-15-001 with Clean Energy States Alliance, Inc. (CESA) for a \$50,000 contract to renew the Energy Commission's membership for one year, from July 1, 2015 to June 30, 2016. CESA is a unique multistate collaboration of public clean energy funds and state agencies working together to develop and promote clean energy and low-carbon technologies and expand the market for these technologies. (ERPA funding) Contact: Adam Van Winkle.
 - b. WATSON COGENERATION STEAM AND ELECTRIC RELIABILITY (5TH TRAIN) PROJECT (09-AFC-1C). Possible approval of an order to terminate the certification of the Watson Cogeneration Steam and Electric Reliability (5th Train) Project as of June 15, 2015. Contact: Mary Dyas.

Commissioner Douglas moved and Commissioner Scott seconded approval of the Consent Calendar. The vote was unanimous (4-0).

With respect to Item 15, Commissioner Douglas disclosed for the record that she is an adjunct professor at UC Davis King Hall and that UC Davis a subcontractor for the agreement. King Hall is not involved in the agreement. Commissioner McAllister made the same disclosure with regard to his wife's employment at King Hall.

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

This item was held. (No action was taken.)

3. SACRAMENTO COGENERATION AUTHORITY PROCTER & GAMBLE (93-AFC-2C). Possible approval of an order granting the petition to amend the California Energy Commission Decision. The petition requests to install a second auxiliary boiler (Boiler 1B) and associated facilities at the Procter & Gamble facility. The petition proposes modifications to numerous Air Quality Conditions of Certification and staff proposes changes to Condition of Certification CUL-1 and new Conditions of Certification CUL-4,

CUL-5 and CUL-6 to assure compliance with local laws, ordinances, regulations and standards that have changed since the project was licensed. Staff also proposes to add Condition of Certification HAZ-8 to address the safety in the commissioning of new or repaired gas plumbing and pipelines. Contact: Mary Dyas. (Staff presentation: 10 minutes)

Commissioner Douglas moved and Commissioner McAllister seconded approval of Item 3. The vote was unanimous (4-0).

4. BLYTHE ENERGY PROJECT (99-AFC-8C). Possible approval of an order granting the petition to amend the California Energy Commission Decision. The petition and supplemental information provided proposes reductions to the project's allowable annual emissions of NO_x, CO, and PM₁₀/PM_{2.5}; the addition of a new annual average NO_x concentration to provide additional assurance that compliance with the proposed new annual limit will be maintained; additional emission limits; and additional monitoring, recordkeeping, and reporting conditions. With the reductions in annual emission limits, as ensured by the staff-proposed conditions of certification, the site will no longer be considered a major stationary source under federal Prevention of Significant Deterioration regulations. Staff is also proposing to renumber the Air Quality Conditions of Certification in the Energy Commission's Final Decision to ease cross reference to District documents. Contact: Mary Dyas. (Staff presentation: 10 minutes)

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

5. NEW SOLAR HOMES PARTNERSHIP GUIDEBOOK, NINTH EDITION. Proposed resolution adopting revisions to the New Solar Homes Partnership Guidebook, Ninth Edition (NSHP Guidebook). The NSHP Guidebook describes the requirements for participating in the NSHP and receiving incentives for installing eligible solar energy systems on new residential construction located in specified investor-owned utility territories. Proposed changes to the NSHP Guidebook include corrections, clarifications and other minor changes to the program requirements and processes. Contact: Brett Arriaga. (Staff presentation: 5 minutes)

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

6. WATER ENERGY TECHNOLOGY (WET) PROGRAM. Proposed resolution approving the Water Energy Technology Rebate Program Guidebook. This guidebook focuses on the agricultural phase of the program and describes how the rebate program will be implemented, project and program eligibility, application processing, reporting and documentation and a process for adding technologies to the rebate list. Contact: Virginia Lew. (Staff presentation: 5 minutes)

Commissioner McAllister moved Item 6 noting that funding is contingent on legislative action and Commissioner Douglas seconded approval of Item 6. The vote was unanimous (4-0).

7. CAL POLY CORPORATION. Proposed resolution approving Agreement 300-15-002 with the Cal Poly Corporation for a \$125,000 contract to provide technical support to the agricultural element of the Water Energy Technology Program. The purpose of this program is to accelerate the deployment of innovative water and energy saving technologies and reduce greenhouse gas emissions. The first phase of the program

focuses on innovative technologies for the agricultural sector. (Greenhouse Gas Reduction funding) Contact: Brad Williams. (Staff presentation: 5 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of Item 7 noting that funding is contingent on legislative approval. The vote was unanimous (4-0).

On advice of the Chief Counsel, to ensure clarity of the record, Item 7 was reopened by motion of Commissioner McAllister and seconded by Commissioner Douglas. The vote was unanimous (4-0). Commissioner Douglas moved and Commissioner McAllister seconded approval of Item 7. The vote was unanimous (4-0).

8. UNIVERSITY OF CALIFORNIA, BERKELEY, CALIFORNIA INSTITUTE FOR ENERGY AND ENVIRONMENT. Proposed resolution approving Agreement 300-15-001 with The Regents of the University of California, on behalf of the California Institute for Energy and Environment, for a \$250,000 contract to provide technical support to the Water Energy Technology Program. The purpose of this program is to accelerate the deployment of innovative energy saving technologies and reduce greenhouse gas emissions. The program focuses on innovative technologies for the residential, commercial and industrial sectors and for renewable energy desalination. (Greenhouse Gas Reduction funding) Contact: Chris Scruton. (Staff presentation: 5 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of Item 8 noting that funding is contingent on legislative approval. The vote was unanimous (4-0).

On advice of the Chief Counsel, to ensure clarity of the record, Item 8 was reopened by motion of Commissioner McAllister and seconded by Commissioner Douglas. The vote was unanimous (4-0). Commissioner Douglas moved and Commissioner McAllister seconded approval of Item 8. The vote was unanimous (4-0).

9. ELECTRIC AND GAS INDUSTRIES ASSOCIATION (EGIA). Proposed resolution approving Agreement 400-15-003 with EGIA for up to \$20,000,000, to administer a statewide water-reducing, energy-saving appliance rebate program in response to Executive Order B-29-15 proclaiming a State of Emergency in California due to the drought. This contract will implement the Energy Commission's first phase of the mandated appliance rebate program, including online and instant point of sale rebates. (Greenhouse Gas Reduction funding) Contact: Maunee Berenstein. (Staff presentation: 5 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of Item 9 noting that funding is contingent on legislative approval. The vote was unanimous (4-0).

On advice of the Chief Counsel to ensure clarity of the record Item 9 was reopened by motion of Commissioner McAllister and seconded by Commissioner Douglas. The vote was unanimous (4-0). Commissioner Douglas moved and Commissioner McAllister seconded approval of Item 9. The vote was unanimous (4-0).

10. SALIDA UNION SCHOOL DISTRICT. Proposed resolution approving Agreement 001-15-ECG with Salida Union School District for a \$2,054,469 loan at zero percent interest for energy efficiency measures and photovoltaic (PV) installations at multiple District facilities. Based on the loan amount, the simple payback is 19.7 years. The project will save approximately \$104,177 annually. (ECAA-Ed Program funding) Contact: Jim Holland. (Staff presentation: 5 minutes)

Commissioner McAllister moved and Commissioner Scott seconded approval of Item 10. The vote was unanimous (4-0).

11. NORTH COUNTY FIRE PROTECTION DISTRICT. Proposed resolution approving Agreement 001-15-ECD for a \$227,475 loan at one percent interest to the North County Fire Protection District to install 43.7 kW roof-mounted PV panels at Fire Station No. 5. On completion, the project will reduce about 67,000 kWh of grid electricity consumption annually, saving the District about \$16,420 in utility costs. In addition, the project will reduce about 23 tons of carbon dioxide equivalent (CO₂e) GHG emissions every year. Based on the loan amount, the simple payback is 13.9 years. (ECAA Program funding) Contact: Shahid Chaudhry. (Staff presentation: 5 minutes)

Commissioner McAllister moved and Commissioner Scott seconded approval of Item 11. The vote was unanimous (4-0).

12. UNIVERSITY ENTERPRISES, INC. Proposed resolution approving Agreement 400-15-001 with University Enterprises, Inc. for a \$600,000 contract to purchase and test appliances to determine compliance with Title 20 energy efficiency standards. Testing results are used to support enforcement actions and data collection that can lead to scoping new appliance efficiency regulations. (ERPA funding) Contact: Bruce Helft. (Staff presentation: 5 minutes)

Commissioner McAllister moved and Commissioner Douglas seconded approval of Item 12. The vote was unanimous (4-0).

13. NATIONAL RENEWABLE ENERGY LABORATORY. Proposed resolution approving Agreement 600-15-001 with U.S. Department of Energy's National Renewable Energy Laboratory (NREL) for a \$3,600,000 contract to provide technical support to the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP). NREL will prepare benefits assessments reports and updates to statewide infrastructure assessments, provide support to the ZEV Action Plan, and provide technical assistance in hydrogen station proposal reviews. (ARFVTP funding) Contact: Jim McKinney. (Staff presentation: 5 minutes)

Commissioner Scott moved and Commissioner McAllister seconded approval of Item 13. The vote was unanimous (4-0).

14. MEDIUM- AND HEAVY-DUTY ADVANCED VEHICLE TECHNOLOGY DEMONSTRATION, PON-14-605. Through this grant solicitation, the Energy Commission sought proposals for the demonstration of advanced vehicle technologies utilizing alternative fuels that will enhance market acceptance and lead to vehicle production and commercialization. Scoring preferences were provided to projects located in disadvantaged communities. (ARFVTP funding) Contact: Larry Rillera. (Staff presentation: 10 minutes)
 - a. HYDROGENICS USA, INC. Proposed resolution approving Agreement ARV-15-001 with Hydrogenics USA, Inc. for a \$2,148,177 grant to conduct an advanced fuel cell bus demonstration project. The demonstration will occur in the Coachella Valley, a region with disadvantaged communities.
 - b. HYDROGENICS USA, INC. Proposed resolution approving Agreement ARV-15-002 with Hydrogenics USA, Inc. for a \$2,679,417 grant to conduct an advanced fuel cell drayage truck demonstration project. The demonstration will

occur in the Ports of Los Angeles and Long Beach, the Alameda Corridor and within disadvantaged communities in these areas.

- c. CALSTART, INC. Proposed resolution approving Agreement ARV-15-003 with CALSTART, Inc. for a \$2,886,248 grant to conduct a battery-electric bus demonstration project. The demonstration will occur in disadvantaged communities of Los Angeles.
- d. MOTIV POWER SYSTEMS, INC. Proposed resolution approving Agreement ARV-15-004 with Motiv Power Systems, Inc. for a \$2,760,391 grant to conduct a battery-electric Class C school bus demonstration project. The demonstration will occur in the Reedley, Colton, and Los Angeles regions which contain disadvantaged communities.

Commissioner Scott moved and Commissioner McAllister seconded approval of Item 14. The vote was unanimous (4-0).

15. ELECTRIC POWER RESEARCH INSTITUTE, INC. Proposed resolution approving Agreement EPC-15-004 with the Electric Power Research Institute, Inc. for a \$2,834,721 grant to develop and demonstrate a climate-appropriate heating, ventilating and air conditioning system for commercial buildings that integrates variable refrigerant flow technology, indirect evaporative cooling and the building control system to reduce energy use and peak demand. (EPIC funding) Contact: Brad Meister. (Staff presentation: 5 minutes)

Commissioner Scott moved and Commissioner McAllister seconded approval of Item 15. The vote was unanimous (4-0).

16. **Minutes:** Possible approval of the June 10, 2015, Business Meeting Minutes.

Commissioner Scott moved and Commissioner Douglas seconded approval of Item 16. The vote was unanimous (4-0).

17. **Lead Commissioner or Presiding Member Reports.** The commissioners reported on their recent activities and site visits.
18. **Chief Counsel's Report:** The Chief Counsel gave the report.
19. **Executive Director's Report.** None.
20. **Public Adviser's Report.** Assistant Public Advisor, Shawn Pittard gave the report.
21. **Public Comment:** Jerry Desmond, Jr. PMI and Ravi Sharma made comments.

Appearances:

(*by telephone)

Paul McCarthy
Harriet Kallemeyn
Maria DeLourdes Jimenez-Price, SMUD
Ross Gould, SMUD
Allison Smith, Stoel Rives
Christopher Doyle, AltaGas
*George Nesbitt, HERS Rater
John Burdette, ABM
*Greg Wilson, North County Fire

Marc Melaina, NREL
Rob Del Core, Hydrogenics

There being no further business, the meeting was adjourned.

Respectfully submitted,

TIFFANI WINTER
Secretariat