

State of California
California Energy Commission
Minutes of the December 09, 2015, Energy Commission Business Meeting

The meeting was called to order by Chair Weisenmiller. The Pledge of Allegiance was led by Chair Weisenmiller. A moment of silence is taken to honor the victims of the San Bernardino tragedy.

Present:

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

David Hochschild, Commissioner
Janea A. Scott, Commissioner

Commissioner Scott disclosed for the record that she receives travel reimbursements from Western Interstate Energy Board (WIEB) for participation in board meetings, and recused herself from the vote on Item 1f. Commissioner McAllister disclosed for the record that he is a board member of National Association of State Energy Officials (NASEO), and recused himself from the vote on Item 1g.

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. SYCAMORE COGENERATION PROJECT (84-AFC-6C). Proposed order approving the petition to transfer the ownership of the Sycamore Cogeneration project, from Sycamore Cogeneration Company to Chevron Power Holdings Inc. Contact: Mary Dyas.
 - b. KERN RIVER COGENERATION PROJECT (82-AFC-2C). Proposed order approving the petition to transfer the ownership of the Kern River Cogeneration project, from Kern River Cogeneration Company to Chevron Power Holdings Inc. Contact: Mary Dyas.
 - c. SIMERGY V2.0. Proposed resolution approving Simergy Version 2.0, by Digital Alchemy, Inc., as an alternative calculation method for demonstrating performance compliance with the nonresidential provisions of the 2013 Building Energy Efficiency Standards, California Code of Regulations, Title 24, Part 6, and associated administrative regulations in Part 1, Chapter 10 (Standards). (Cal. Code Regs., tit. 24, §§ 10-109 (c)2). Contact: RJ Wichert.
 - d. ENERGY ANALYSIS AND COMFORT SOLUTIONS INC (EACS). Proposed resolution approving the request from EACS President, Max McKinney to be decertified as a Home Energy Rating System (HERS) Provider for field verification and diagnostic testing to show compliance with the 2013 Building Energy Efficiency Standards for Prescriptive residential HVAC Alterations and the EACS HERS Data Registry as a residential data registry. Contact: Suzie Chan.
 - e. BIENNIAL AMENDMENTS TO CONFLICT OF INTEREST CODE. Proposed resolution approving proposed amendments to the Energy Commission's conflict of interest code, at Title 20, California Code of Regulations, Sections 2401 and 2402. The resolution authorizes the initiation of a public comment period on the proposed

amendments and submission of the proposed amendments to the FPPC for approval per the Political Reform Act. The conflict of interest code specifies which employees must file an annual Form 700 Statement of Economic Interests, and which interests they must report. The Political Reform Act requires state agencies to review and update their Conflict of Interest Codes every two years. Contact: Jennifer Martin-Gallardo.

- f. WESTERN INTERSTATE ENERGY BOARD. Proposed resolution approving Agreement 150-15-003 with the Western Interstate Energy Board (WIEB) for a \$54,000 contract for the Energy Commission's membership in WIEB to fulfill the State's obligations under the Western Interstate Nuclear Compact, as set forth in Government Code Sections 67400, 67401. Membership dues are \$18,000 annually. This contract would cover FYs 15-16, 16-17, and 17-18. (ERPA funding) Contact: Clare Laufenberg Gallardo.
- g. NATIONAL ASSOCIATION OF STATE ENERGY OFFICIALS. Proposed resolution approving Agreement 200-15-006 with National Association of State Energy Officials (NASEO) for a \$21,894.00 contract to formalize the Energy Commission's membership in NASEO. This one-year membership allows the Energy Commission staff to connect with key policy and decision makers, and officials from other state and territorial energy offices, and affiliates from the private and public sectors. The membership also provides a forum for exchanging information, ideas and resources, and to learn about new funding and partnership opportunities. (ERPA funding) Contact: Rachel Grant-Kiley.

Commissioner McAllister left the room for the Commissioners to act on Item 1a-e and 1g. Commissioner Douglas moved and Commissioner Scott seconded approval of Items 1a -1e and 1g. The vote was 4-0. Commissioner McAllister returned to the room and Commissioner Scott left the room for the Commissioners to act on Item 1f. Commissioner Douglas moved and Commissioner Hochschild seconded approval of Item 1f. The vote was 4-0.

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

Chair Weisenmiller announced Commissioner Douglas will be the lead Commissioner on IEPR in 2016.

- 3. COLUSA GENERATING STATION (06-AFC-09). Proposed order approving the petition to amend the Energy Commission Decision. The modifications in the petition would make consistent the Energy Commission Air Quality Conditions of Certification and the Conditions contained in the Federal Title V Operating Permit issued by the Colusa County Air Pollution Control District. The Title V Permit contains new administrative requirements and a reorganized condition structure, but does not make changes to any emission limits, technology, or equipment. Contact: Eric Veerkamp. (Staff presentation: 5 minutes)

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

4. MENDOTA BIOENERGY, LLC. Proposed order terminating agreement ARV-12-033 with Mendota Bioenergy, LLC. Staff is recommending termination with cause pursuant to agreement term and condition Section 13.a. (ARFVTP funding) Contact: John Butler. (Staff presentation: 10 minutes)

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

5. APPLIANCE EFFICIENCY STANDARDS FOR KITCHEN FAUCETS, TUB SPOUT DIVERTERS AND SHOWERHEADS—HEARING AND POSSIBLE ADOPTION OF REGULATIONS (15-AAER-07). Proposed resolution approving amendments to the Appliance Efficiency Regulations in Title 20 of the California Code of Regulations relating to energy and water efficiency standards for kitchen faucets, tub spout diverters and showerheads. The proposal is under the emergency rulemaking authority granted by Governor Brown in Executive Order B-29-15. The proposed standards would limit the scope to kitchen faucets that are consumer products, clarify the tub spout diverter test method and update the minimum flow rate standard for showerheads. Contact: Sean Steffensen. (Staff presentation: 10 minutes)

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

6. LAMONT PUBLIC UTILITY DISTRICT. Proposed resolution approving Agreement 005-15-ECD with the Lamont Public Utility District for a \$2,580,767 loan at one percent interest to install a 1,006.5 kW DC ground mounted single-axis tracking solar PV system at the District wastewater treatment plant. The project is estimated to generate 1,857,941 kWh of electricity annually and reduce the District's yearly utility expense by \$271,866. The project will be fully funded by the Energy Commission loan. The simple payback on the loan amount is 9.5 years. (ECAA Program funding) Contact: Amir Ehyai. (Staff presentation: 5 minutes)

Commissioner McAllister moved and Commissioner Hochschild seconded approval of Item 6. The vote was unanimous (5-0).

7. OROVILLE UNION HIGH SCHOOL DISTRICT. Proposed resolution approving Agreement 005-15-ECG with the Oroville Union School District for a \$2,800,000 loan at zero percent interest to install 839 kW roof and parking structure mounted photovoltaic (PV) panels at Oroville High and Las Plumas High Schools. On completion, the project will reduce about 1,357,662 kWh of grid electricity consumption annually saving the District about \$302,534 in utility costs. In addition, the project will reduce about 468 tons of carbon dioxide equivalent (CO₂e) GHG emissions every year. Based on the loan amount, the simple payback is 9.3 years. (ECAA-Ed Program funding) Contact: Amir Ehyai ~~Shahid Chaudhry~~. (Staff presentation: 5 minutes)

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

8. LIGHTSAIL ENERGY. Proposed resolution approving Agreement EPC-15-011 with LightSail Energy for a \$1,200,276 grant to accelerate commercialization of Isothermal Compressed Air Energy Storage (I-CAES) technology. LightSail Energy will pilot test an I-CAES system for use in integrating renewable energy and providing grid support. (EPIC funding) Contact: David Chambers. (Staff presentation: 5 minutes)

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

9. KENNEDY/JENKS CONSULTANTS, INC. Proposed resolution approving Agreement EPC-15-012 with Kennedy/Jenks Consultants, Inc., for a \$1,167,034 grant to demonstrate a technology that directly measures the colloidal particles in treated wastewater before being further processed in water reclamation facilities. This technology will help reduce energy use and operating costs by minimizing membrane fouling at the water reclamation facility. (EPIC funding) Contact: Paul Robinson. (Staff presentation: 5 minutes)

Commissioner McAllister moved and Commissioner Scott seconded approval of Item 9. The vote was unanimous (5-0).

10. SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT. Proposed resolution approving Agreement 500-15-002 with the South Coast Air Quality Management District for a \$2,000,000 contract to conduct on-road, in-use emission and fuel usage testing for heavy duty natural gas vehicles. (PIER natural gas funding) Contact: Matt Fung. (Staff presentation: 5 minutes)

Commissioner Scott moved and Commissioner McAllister seconded approval of Item 10. The vote was unanimous (5-0).

11. NATURAL GAS FUELING INFRASTRUCTURE, PON-14-608. This solicitation sought proposals from school districts and other public entities for projects that establish or expand infrastructure necessary to store, distribute and dispense compressed natural gas (CNG) for use in natural gas vehicles. (ARFVTP funding) Contact: Tami Haas. (Staff presentation: 10 minutes)
 - a. KERN COUNTY SUPERINTENDENT OF SCHOOLS. Proposed resolution approving Agreement ARV-15-019 with Kern County Superintendent of Schools for a \$500,000 grant to expand infrastructure necessary to store, distribute and dispense compressed natural gas for use in natural gas vehicles and to also purchase a mobile CNG refueling trailer to refuel vehicles in remote areas that serve County school districts and communities.
 - b. KINGS CANYON UNIFIED SCHOOL DISTRICT. Proposed resolution approving Agreement ARV-15-020 with Kings Canyon Unified School District for a \$500,000 grant to install a natural gas fuel dispenser at the Central Valley Transportation Center. The Central Valley Transportation Center combines current daily operations of the District transportation facilities and the City of Reedley's Public Works Department in one facility.
 - c. LAS GALLINAS VALLEY SANITARY DISTRICT. Proposed resolution approving Agreement ARV-15-038 with Las Gallinas Valley Sanitary District for a \$250,000 grant to install a single dispenser, fast fill natural gas fueling station at their wastewater treatment facility in San Rafael, CA.

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

12. HYDROGEN REFUELING INFRASTRUCTURE, PON-13-607. This solicitation had two goals: 1) to develop infrastructure necessary to dispense hydrogen transportation fuel; and 2) to provide needed Operation and Maintenance (O&M) funding to support

hydrogen fueling operations prior to the large-scale roll-out of Fuel Cell Electric Vehicles. (ARFVTP funding) Contact: Sarah Williams. (Staff presentation: 10 minutes)

- a. H2 FRONTIER, INC. Proposed resolution approving Agreement ARV-15-021 with H2 Frontier, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 12600 East End Ave., Chino, CA and gather data about the station.
- b. AIR LIQUIDE INDUSTRIAL US LP. Proposed resolution approving Agreement ARV-15-031 with Air Liquide Industrial US LP for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 3731 East La Palma Ave., Anaheim, CA and gather data about the station.
- c. AIR PRODUCTS AND CHEMICALS, INC. Proposed resolution approving Agreement ARV-15-025 with Air Products and Chemicals, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 1819 Cloverfield Blvd., Santa Monica, CA and gather data about the station.
- d. AIR PRODUCTS AND CHEMICALS, INC. Proposed resolution approving Agreement ARV-15-026 with Air Products and Chemicals, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 7751 Beverly Blvd., Los Angeles, CA and gather data about the station.
- e. AIR PRODUCTS AND CHEMICALS, INC. Proposed resolution approving Agreement ARV-15-027 with Air Products and Chemicals, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 19172 Jamboree Blvd., Irvine, CA and gather data about the station.
- f. AIR PRODUCTS AND CHEMICALS, INC. Proposed resolution approving Agreement ARV-15-035 with Air Products and Chemicals, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 5314 Topanga Canyon Rd., Woodland Hills, CA and gather data about the station.
- g. AIR PRODUCTS AND CHEMICALS, INC. Proposed resolution approving Agreement ARV-15-036 with Air Products and Chemicals, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 11261 Santa Monica Blvd., Los Angeles, CA and gather data about the station.
- h. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-15-022 with FirstElement Fuel, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 248 So. Airport Blvd., South San Francisco, CA and gather data about the station.
- i. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-15-023 with FirstElement Fuel, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 391 West A St., Hayward, CA and gather data about the station.

- j. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-15-024 with FirstElement Fuel, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 2101 N. 1st Street, San Jose, CA and gather data about the station.
- k. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-15-028 with FirstElement Fuel, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 5700 Hollywood Blvd., Los Angeles, CA and gather data about the station.
- l. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-15-029 with FirstElement Fuel, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 8126 Lincoln Blvd., Los Angeles, CA and gather data about the station.
- m. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-15-030 with FirstElement Fuel, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 3401 Long Beach Blvd., Long Beach, CA and gather data about the station.
- n. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-15-032 with FirstElement Fuel, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 150 South La Cumbre Rd., Santa Barbara, CA and gather data about the station.
- o. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-15-033 with FirstElement Fuel, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 12105 Donner Pass Road, Truckee, CA and gather data about the station.
- p. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-15-034 with FirstElement Fuel, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 24505 West Dorris Ave., Coalinga, CA and gather data about the station.
- q. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-15-037 with FirstElement Fuel, Inc. for a \$300,000 grant to cover operation and maintenance costs for the hydrogen refueling station located at 2050 Harbor Blvd., Costa Mesa, CA and gather data about the station.

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

- 13. CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE, DIVISION OF MEASUREMENT STANDARDS. Proposed resolution approving Agreement 600-15-010 with the California Department of Food and Agriculture, Division of Measurement Standards for a \$1,300,000 contract to develop standards for commercial measurement of electricity as a transportation fuel for light duty vehicles. (ARFVTP funding) Contact: Sharon Purewal. (Staff presentation: 5 minutes)

Commissioner Scott moved and Commissioner McAllister seconded approval of Item 13. The vote was unanimous (5-0).

14. **Minutes:** Possible approval of the November 12, 2015, Business Meeting Minutes.

Commissioner Scott moved and Commissioner McAllister seconded approval of Item 14. The vote was unanimous (5-0).

15. **Lead Commissioner or Presiding Member Reports.** The commissioners reported on their recent activities.

16. **Chief Counsel's Report.** *After adjourning to closed session with its legal counsel, the Energy Commission returned to report that the Commission authorized the Chief Counsel to pursue all available legal remedies to obtain any funds that the Energy Commission might be owed by Mendota Bioenergy, LLC under Grant Agreement ARV-12-033, including possible initiation of litigation.*

17. **Executive Director's Report.** The Executive Director gave the report.

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

19. **Public Comment:** None.

Appearances:

(*by telephone)

Jeff Harris, Ellison, Schneider & Harris, LLP

Scott Galati, Counsel Pacific Gas & Electric (PG&E)

William Pucheu, Mendota Bioenergy

Sharon Starcher, Devry University

Charles Kim, Southern California Edison speaking on behalf of Cal IOU's

Jerry Desmond, Plumbing Manufacturers International

* Travis Oguin, Lightsail Energy

Adewale Oshinuga, SCAQMD

Tyson Eckerle, Governor's Office

Kristin Macy, California Department of Food and Agriculture



There being no further business, the meeting was adjourned.

Respectfully submitted,

A handwritten signature in black ink, appearing to be "Tiffani Winter".

TIFFANI WINTER

Secretariat

