

**State of California**  
California Energy Commission  
Minutes of the September 14, 2016, Energy Commission Business Meeting

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

Present:

Robert B. Weisenmiller, Chair

J. Andrew McAllister, Commissioner

David Hochschild, Commissioner

Janea A. Scott, Commissioner

*The Chair announced that Item 2 will be held and the Consent Calendar will be split into two pieces, with Item G being taken up separately.*

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. U.S. DEPARTMENT OF THE NAVY. Proposed resolution approving Memorandum of Understanding MOU-16-002 with the U.S. Department of the Navy, Assistant Secretary of the Navy (Energy, Installations, & Environment) (“ASN(EI&E)”) to collaborate on energy-related issues of mutual benefit and align goals and build partnerships. The ASN(EI&E) and the Energy Commission have similar energy goals relating to energy assurance and resiliency, the reduction of greenhouse gases, fossil fuel reduction, energy efficiency, water consumption, use of renewable energy, and usage of alternative vehicles (including electric). Contact: Kevin Barker.
  - b. U.S. DEPARTMENT OF THE NAVY AND THE HOOVER INSTITUTION. Proposed resolution approving Agreement MOU-16-003 with the U.S. Department of the Navy (DON) and the Hoover Institution to participate in a joint event hosted by the Hoover Institution to showcase the specific energy successes and ongoing initiatives resulting from the partnership between the DON and the State of California. Contact: Kevin Barker.
  - c. AMENDMENTS TO CONFLICT OF INTEREST CODE. Proposed resolution approving possible 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 update their Conflict of Interest Codes when the agency has added positions, eliminated positions, or modified its organizational structure. Contact: Jennifer Martin-Gallardo.

- d. 2016 BUILDING ENERGY EFFICIENCY STANDARDS RESIDENTIAL ALTERNATIVE CALCULATION METHOD (ACM) REFERENCE MANUAL UPDATE. Proposed resolution approving the updated 2016 Residential ACM Reference Manual as required by Public Resources Code Section 25402.1(e). This ACM Reference Manual documents the modeling methods used in residential compliance software for demonstrating performance compliance with the 2016 Building Energy Efficiency Standards. Contact: RJ Wichert.
- e. 2016 PUBLIC DOMAIN RESIDENTIAL COMPLIANCE SOFTWARE, CBECC-RES 2016.2.1 AND NONRESIDENTIAL COMPLIANCE SOFTWARE, CBECC-COM 2016.2.1. Proposed resolutions approving updated 2016 Public Domain Residential and Nonresidential software used to demonstrate performance compliance with the 2016 Building Energy Efficiency Standards and decertifying previous 2016 software, CBECC-Res 2016.2.0 and CBECC-Com 2016.2.0 (Public Resources Code Section 25402.1(a)). Contact: RJ Wichert.
- f. DOE - NATIONAL RENEWABLE ENERGY LABORATORY. Proposed resolution approving MOU-16-001 between the California Energy Commission and the Department of Energy's National Renewable Energy Laboratory (NREL), on behalf of the Alliance for Sustainable Energy, LLC, to provide California Vehicle Survey data to NREL's Transportation Secure Data Center (TSDC). The TSDC will provide survey data, excluding any individual identifying information, to researchers and others for purpose of advancing transportation modeling, research, and policy analysis. Contact: Aniss Bahreinian.
- g. BEVILACQUA-KNIGHT, INC. Proposed resolution approving Agreement 600-16-001 with Bevilacqua-Knight, Inc. (BKI) for a one year membership in the California Fuel Cell Partnership (CaFCP) in the amount of \$87,800. BKI facilitates and coordinates the efforts of the CaFCP, including operational, financial, and project management. As a member of the CaFCP the Energy Commission will have a seat on the CaFCP's Steering Committee and will participate in the Working Group, Station Implementation Group, and other various committees. (ARFVTP funding) Contact: Jennifer Masterson.
- h. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-16-001 with FirstElement Fuel, Inc. for a \$130,000 grant to cover operation and maintenance costs for the existing hydrogen refueling equipment and gather data about the equipment. The station is located at 41700 Grimmer Blvd., Fremont, CA 94538. (ARFVTP funding) Contact: Brad Cole.
- i. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-16-002 with FirstElement Fuel, Inc. for a \$130,000 grant to cover operation and maintenance costs for the existing hydrogen refueling equipment and gather data about the equipment. The station is located at 3102 Thousand Oaks Blvd., Thousand Oaks, CA 91362. (ARFVTP funding) Contact: Brad Cole.
- j. STATE OF WASHINGTON DEPARTMENT OF COMMERCE. Proposed resolution approving Amendment 1 to Contract RMB-400-15-004 with the State of Washington Department of Commerce. This amendment will change the reimbursement fee paid to the Energy Commission for participating in the Pacific Coast Collaborative (PCC) Mandatory Benchmarking and Disclosure Group from \$81,200 to \$18,664. This will allow Washington to increase the scope of work that the Institute for Market Transformation will conduct for the PCC, providing

benchmarking expertise to PCC members, including supporting the Energy Commission in developing regulations for the new benchmarking program.  
Contact: Erik Jensen.

*Commissioner Scott announced that as a member of California Fuel Cell Partnerships Executive Board she will recuse herself from consideration of Item 1g. Commissioner Hochschild moved and Commissioner McAllister seconded approval of all Items, but 1g. The vote was 4-0. The Chair announced that Commissioner Douglas is absent. Commissioner Scott left the room. Commissioner Hochschild moved and Commissioner McAllister seconded approval of Item 1g. The vote was 3-0. Commissioner Scott returned to the room.*

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)

*Item 2 was held. No action taken.*

3. MECHANICAL ACCEPTANCE TEST TECHNICIAN CERTIFICATION PROVIDER APPLICATION FROM THE CALIFORNIA STATE PIPE TRADES COUNCIL. Proposed order approving the California State Pipe Trades Council application to become a Mechanical Acceptance Test Technician Certification Provider as provided under the California Code of Regulations, Title 24, Part 1, Section 10-103-B(c). Contact: Randy Brumley. (Staff presentation: 5 minutes)

*Commissioner McAllister moved and Commissioner Scott seconded approval of Item 3. The vote was 4-0.*

4. POSSIBLE APPROVAL OF THE NATIONAL LIGHTING CONTRACTORS ASSOCIATION OF AMERICA'S PROPOSED 2016 UPDATES. Proposed resolution approving the National Lighting Contractors Association of America's (NLCAA) proposed Nonresidential Lighting Controls Acceptance Test Technician Certification Provider updates for the 2016 Building Energy Efficiency Standards. This will allow NLCAA to administer its proposed program changes and training curricula adjustments for the 2016 Standards code cycle. Contact: Veronica Martinez. (Staff presentation: 5 minutes)

*Commissioner McAllister moved and Commissioner Scott seconded approval of Item 4. The vote was 4-0.*

5. ENERGY EFFICIENCY COMPARISON. Proposed resolution approving staff report detailing the energy efficiency comparison between the 2016 Building Energy Efficiency Standards and ASHRAE/IESNA Standard 90.1-2013. Contact: Mark Alatorre. (Staff presentation: 5 minutes)

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

6. LOCALLY ADOPTED ENERGY STANDARDS. Possible approval of two local ordinance applications submitted by the City of Palo Alto and the City of San Mateo for local energy ordinances that exceed the energy efficiency requirements of Title 24, Part 6. Contact: Ingrid Neumann. (Staff presentation: 5 minutes)
  - a. CITY OF PALO ALTO. Proposed resolution approving the City of Palo Alto's locally adopted building energy standards to require greater energy efficiency than the 2016 Building Energy Efficiency Standards according to occupancy type and the amount of solar photovoltaics included in the design.

- b. CITY OF SAN MATEO. Proposed resolution approving the City of San Mateo's locally adopted building energy standards to require greater energy efficiency than the 2016 Building Energy Efficiency Standards. The ordinance requires that all new construction be built using cool roof materials and that solar photovoltaics be installed according to occupancy type.

*Commissioner McAllister moved and Commissioner Hochschild seconded approval of Item 6a. The vote was 4-0. Commissioner McAllister moved and Commissioner Scott seconded approval of Item 6b. The vote was 4-0.*

7. SETTLEMENT AGREEMENTS ARISING UNDER CONTRACT 500-11-025 WITH LAWRENCE BERKELEY NATIONAL LABORATORY. Consideration and possible approval of settlement agreements related to an accident involving an electric vehicle, purchased with Energy Commission funds and to which the Energy Commission holds title, that was in possession of the contractor when the accident occurred. Contact: Kiel Pratt. (Staff presentation: 5 minutes)
  - a. Proposed resolution approving a settlement agreement of potential claims involving Advance Auto Body, which is in current possession of the vehicle involved in the accident.
  - b. Proposed resolution approving a settlement agreement with FedEx Home, Inc., FedEx Corporation, and FedEx employees and/or contractors, which operated the other vehicle involved in the accident.

*Commissioner Scott moved and Commissioner McAllister seconded approval of Item 7. The vote was 4-0.*

8. EOS ENERGY STORAGE, LLC. Proposed resolution approving Amendment 1 to Grant Agreement EPC-14-023 with Eos Energy Storage, LLC to extend the term by 12 months and to remove two major subcontractors in conjunction with a budget reallocation. The testing to be developed and performed as part of the amendment will determine the best applications and locations for energy storage on PG&E's system. Contact: ~~Quenby Lum~~ Fernando Pena. (Staff presentation: 5 minutes)

*Commissioner Scott moved and Commissioner McAllister seconded approval of Item 8. The vote was 4-0.*

9. EOS ENERGY STORAGE, LLC. Proposed resolution approving Amendment 1 to Grant Agreement EPC-15-018 with Eos Energy Storage, LLC to extend the term by 12 months and to remove one major subcontractor in conjunction with a budget reallocation. The project will test a zync-hybrid cathode battery, which is safer, less toxic, and uses a less expensive alternative chemistry that is more environmentally benign than lithium ion batteries. The amendment will allow sufficient time for conducting crucial tests on residential and commercial behind-the-meter applications, such as demand charge management and roof-top solar PV shifting and smoothing. Contact: Quenby Lum. (Staff presentation: 5 minutes)

*Commissioner McAllister moved and Commissioner Scott seconded approval of Item 9. The vote was 4-0.*

10. SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT. Proposed resolution approving Agreement 500-16-002 with the South Coast Air Quality Management District for a \$1,000,000 contract to develop a commercially viable, advanced 12-liter natural gas

engine with near zero NOx tailpipe emissions suitable for use in heavy-duty vehicles. (PIER NG funding) Contact: Pilar Magana. (Staff presentation: 5 minutes)

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

11. RICARDO, INC. Proposed resolution approving Agreement 600-16-002 with Ricardo, Inc. for a \$2,000,000 contract to provide specialized technical support and engineering consulting services for the Energy Commission's Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP). The contractor team will provide specialized technical assistance to Energy Commission staff with respect to solicitation development, evaluating the technical merits of proposals submitted for funding, providing technical assistance troubleshooting projects, and providing specialized technical assistance necessary to enable the Energy Commission to determine that the projects have been built according to the technical specifications in the agreements. (ARFVTP funding) Contact: David Nichols. (Staff presentation: 5 minutes)

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

12. FULLERTON JOINT UNION HIGH SCHOOL DISTRICT. Proposed resolution adopting California Environmental Quality Act findings for the Fullerton Joint Unified High School District's CNG Fueling Infrastructure Project, and approving Agreement ARV-16-003 with Fullerton Joint Unified High School District for a CNG Fueling Infrastructure Project. (ARFVTP funding) Contact: Eric Van Winkle (Staff presentation: 5 minutes)
  - a. CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS. Findings that, based on the lead agency Fullerton Joint Unified High School District's Initial Study and Mitigated Negative Declaration, the work under the proposed project, along with identified mitigation measures, will eliminate or mitigate the environmental impacts to less than significant levels.
  - b. FULLERTON JOINT UNIFIED HIGH SCHOOL DISTRICT CNG FUELING INFRASTRUCTURE PROJECT. Agreement with Fullerton Joint Union High School District for a \$500,000 grant to upgrade its existing compressed natural gas fueling infrastructure. The upgrade will include improvements to the school district's fleet refueling system and the addition of a fast fill dispenser for public usage.

*Staff clarified that all references to Unified should be Union. Commissioner Scott moved and Commissioner McAllister seconded approval of Item 12. The vote was 4-0.*

13. DISCUSSION OF ENERGY COMMISSION PROGRESS RE IMPLEMENTATION OF THE CLEAN ENERGY AND POLLUTION REDUCTION ACT OF 2015 (SENATE BILL NO. 350). Staff presentation and Commissioner discussion regarding Energy Commission progress on and planned actions for implementation of Senate Bill No. 350 requirements, including but not limited to administration of the California Renewables Portfolio program, review of local publicly owned electric utility integrated resource plans, revision of Commission data collection regulations to improve demand forecasting, identification of progress in meeting the Bill's goals of 50% renewables procurement and doubling of energy efficiency, implementation of widespread transportation electrification, and preparation and publication of the study required by Public Resources Code section

25327 regarding barriers for low-income customers to energy efficiency and weatherization investments. Contact: Michael Sokol. (Staff presentation: 10 minutes)

- a. **BARRIERS STUDY UPDATE.** Senate Bill 350 identifies that there is an insufficient understanding of the barriers for low-income and disadvantaged communities to access energy efficiency investments, solar photovoltaic energy generation, weatherization, other forms of renewable generation, and contracting opportunities. Energy Commission staff are working to complete a study to be published by January 1, 2017 that identifies barriers and recommends solutions to overcome those barriers. Contact: Alana Mathews. (Staff Presentation: 5 minutes)
- b. **RENEWABLES PORTFOLIO STANDARD UPDATE.** Senate Bill 350 extended California's Renewables Portfolio Standard (RPS) to require utilities to procure renewable energy for 50% of their annual retail sales by 2030. It also created new rules for the RPS program. Energy Commission staff are updating the RPS Guidebook and Enforcement Procedures for local publicly owned utilities to reflect programmatic changes promulgated by SB 350. Contact: Courtney Smith. (Staff Presentation: 5 minutes)

*Staff presented Information Item 13.*

14. **Minutes:** Possible approval of the August 10, 2016 Business Meeting minutes.

*Commissioner Scott moved and Commissioner McAllister seconded approval of the August 10, 2016 Business Meeting minutes. The vote was 4-0.*

15. **Lead Commissioner or Presiding Member Reports.** The Commissioners reported on their recent activities.
16. **Chief Counsel's Report:** The Chief Counsel gave a report and the Chair announced the Commissioners will now go into closed session with legal counsel, pursuant to Government Code section 11126, subdivision (e), on the following items set forth in agenda item 16:
  - Matter pending with the Department of Industrial Relations
  - Grant ARV 11-012 with Electricore, Inc.

*Upon returning from closed session, the Chair reported that in the closed session, the Commission authorized the Chief Counsel to pursue all available legal remedies to obtain any funds that the Energy Commission might be owed by Electricore, Inc. under Grant Agreement ARV-11-012 including possible initiation of litigation. Commissioner Hochschild did not return from closed session.*

17. **Executive Director's Report.** None.
18. **Public Adviser's Report.** The Public Adviser gave a report.
19. **Public Comment:** Peter Pirnejab gave a public comment.

Appearances:

(\*by telephone)

\*Peter Pirnejab, City of Palo Alto

\*Mark Wiseman, Ricardo Strategic Consulting

\*Christine Ferry, City of San Mateo

Adewale Oshinuga, South Coast Air Quality Management District

Appearances: (Cont.)

Robert Nguyen, California Air Resources Board

Gregory Partch, California State Pipe Trades Council

Jack Yapp, National Lighting Contractors Association of America

Michael Scalzo, National Lighting Contractors Association of America

Richard P. Benkowski, United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada

Scott W. Wetch, Carter, Wetch & Associates

Bret Barrow, Politico Group

David Otterstein, National Inspection Testing Certification

There being no further business, the meeting was adjourned.

Respectfully submitted,



CODY GOLDTHRITE  
Secretariat

