

CALIFORNIA ENERGY COMMISSION

In the Matter of:)
California Clean Energy Jobs Act)
Citizens Oversight Board)
_____)

CALIFORNIA ENERGY COMMISSION
FIRST FLOOR, ART ROSENFELD HEARING ROOM
1516 NINTH STREET
SACRAMENTO, CALIFORNIA

TUESDAY, SEPTEMBER 8, 2015

1:00 P.M.

Reported by:
Peter Petty

APPEARANCES

COMMISSIONERS PRESENT

Robert Weisenmiller, Chair, California Energy Commission,
Ex Officio Member

Andrew McAllister, Lead Commissioner, IEPR Committee

CEC STAFF PRESENT

Jack Bastida

Armand Angulo, Acting Manager, Local Assistance and
Financing Office, California Energy Commission

Elizabeth Shirakh, Acting Supervisor, Proposition 39 Program

Tiffany Winter, Secretariat

Elena Mathews, Public Advisor

BOARD MEMBERS PRESENT

Kate Gordon, Chair Elect

James Ray, Vice Chair Elect

Arno Harris

Dana Cuff

Randall Martinez

Chelina Odbert

EX OFFICIO MEMBERS

Michael Picker, California Public Utilities Commission

ALSO PRESENT

Susan Yeager, California Community College Chancellors
Office (via phone)

APPEARANCES

PUBLIC COMMENT

Regina Wilson, California Black Media

Erik Bakke, Los Angeles Unified School District

Anna Ferrera, School Energy Coalition

Rick Brown, Terra Verde (via phone)

Steve Renew, Mt. San Jacinto Community College District
(Via phone)

Jim Schrage (via phone)

INDEX

PAGE

AGENDA ITEM

Introductions	1
Roll Call of Board Members to Determine Quorum	2
Join Agency Background Presentation	4
Selection of the Citizens Oversight Board Chair	51
Selection of the Citizens Oversight Board Vice Chair	57
Public Comment	66

1
2
3
4
5
6
7
8
9
10
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12
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19
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P R O C E E D I N G S

1:07 P.M.

SACRAMENTO, CALIFORNIA, TUESDAY, SEPTEMBER 8, 2015

(The meeting commenced at 1:07 p.m.)

CHAIR WEISENMILLER: Call the meeting to order.

This would be the first meeting of the Citizens Oversight Board. I'd like to thank everyone for being here. And the -- since there's no elected chair of the Citizens Oversight Board at this time, I, as an Ex Officio Member, will facilitate the first meeting until we can go through the election. So let me start out by saying that I appreciate everyone being here today and that -- and, also, willingness to serve on the Board.

Obviously, Prop 39 gives California a wonderful opportunity to retrofit its educational system, and through those retrofits to not only reduce greenhouse gas consumption, but also energy bills, and by reducing energy bills hopefully increase the money left for educational services. So this Board is a good opportunity to look over the implementation of the program so far and to come up with ways we can do better.

So again, thanks for being here.

President Picker, if you would?

MR. PICKER: Thank you for inviting me.

1 COURT REPORTER: Microphone, sir.

2 MR. PICKER: Thank you for inviting me.

3 COURT REPORTER: Is your microphone on?

4 CHAIR WEISENMILLER: You have to push the --

5 MR. PICKER: Thank you for inviting me.

6 CHAIR WEISENMILLER: Thanks -- thanks for being
7 here.

8 Commissioner McAllister, if you would?

9 COMMISSIONER MCALLISTER: So I'm actually not on
10 the Board but have some leadership role here at the
11 Commission on -- since I'm the lead on Energy Efficiency.
12 And Prop 39 falls in the Energy Efficiency Division in that
13 shop here at the Commission, at least our role in the
14 overall Prop 39 implementation. And so I wanted to be here
15 to participate in the discussion and help the Board kind of
16 understand where we've been, what we've done, and where we
17 are likely going, and sort of get -- get everybody up to
18 speed so that the Board can play its rightful oversight
19 role.

20 So I'm just here really more as a resource and
21 sort of a, yeah, participant to help -- help the discussion
22 be as fruitful as possible. So thanks.

23 CHAIR WEISENMILLER: Let's go on to item two which
24 is the roll call of the Board Members to determine whether
25 or not we have a quorum.

1 Secretariat, please?

2 SECRETARIAT WINTER: (Off mike.) (Inaudible.)

3 BOARD MEMBER GORDON: Here.

4 SECRETARIAT WINTER: (Inaudible.)

5 BOARD MEMBER HARRIS: Here.

6 SECRETARIAT WINTER: (Inaudible.)

7 BOARD MEMBER ODBERT: Here.

8 SECRETARIAT WINTER: (Inaudible.)

9 BOARD MEMBER CUFF: This is Dana Cuff. We can't
10 hear the secretary saying anything, if you're talking to
11 either Randall Martinez or myself.

12 CHAIR WEISENMILLER: Oh, please try again,
13 Secretariat. Okay.

14 BOARD MEMBER CUFF: Still no sounds from the
15 secretary.

16 CHAIR WEISENMILLER: And that microphone has just
17 been moved, so you may hear something in a second.

18 Go ahead.

19 SECRETARIAT WINTER: Cuff?

20 BOARD MEMBER CUFF: That might have been my name;
21 is that right?

22 SECRETARIAT WINTER: Dana Cuff?

23 BOARD MEMBER CUFF: Dana Cuff, I'm here.

24 SECRETARIAT WINTER: Dana Cuff?

25 BOARD MEMBER CUFF: That's me. Now I hear you.

1 I'm here.

2 CHAIR WEISENMILLER: Good.

3 SECRETARIAT WINTER: Emblem? Gordon?

4 BOARD MEMBER GORDON: Still here.

5 SECRETARIAT WINTER: Harris?

6 BOARD MEMBER HARRIS: Here.

7 SECRETARIAT WINTER: Kremen? Martinez? Odbert?

8 BOARD MEMBER MARTINEZ: Martinez is here.

9 SECRETARIAT WINTER: Ray? Sakurai?

10 One, two, three, four, five -- we have a quorum.

11 CHAIR WEISENMILLER: Great. Thank you.

12 So let's -- let's start with the staff

13 introduction on the Clean Energy Jobs overview of the

14 Oversight Board and participating agencies.

15 Jack, please?

16 MR. BASTIDA: Good afternoon. Hello Board

17 Members, Energy Commissioner Chair Weisenmiller, Public

18 Utilities Commission President Picker, as well as everyone

19 in the audience and conferencing in.

20 My name is Jack Bastida, Staff Member assigned to

21 assist the Citizens Oversight Board. It is my pleasure to

22 give you all a presentation on the California Clean Energy

23 Jobs Act. With me is Citizen Oversight Board assigned

24 Mechanical Engineer Dave Mason, sitting over there in the

25 back there, who will save me if things get a bit too

1 technical for me to handle. We have the pleasure of giving
2 you all a brief overview of -- for this first meeting, and
3 are planning on providing you all much more detailed
4 information on everything presented here as the Board moves
5 forward.

6 The topics that we will be discussing are as
7 follows: We will be reviewing the creation and objectives
8 of the California Clean Energy Jobs Act; we will be looking
9 at how the implementation of the California Clean Energy
10 Jobs Act is achieved through the various agencies in the
11 state; we will look at the duties and rules of the Citizens
12 Oversight Board to help give you a better idea of the
13 statutes of the Board and give you some of the laws
14 governing state boards in general; next, the California
15 Energy Commission and the California Community College
16 Chancellor's Office will give you all an update on how the
17 programs are operating; and lastly, we will allow questions
18 from the Board and of the public.

19 To begin with, let's take a look at the design and
20 objectives of the California Clean Energy Jobs Act.

21 So how did the -- how did this all get started?
22 Well, as many of you probably know, the California Clean
23 Energy Jobs Act got started at Proposition 39, a ballot
24 initiative that was approved by voters in the November 2012
25 general election. What Proposition 39 altered was to modify

1 the income tax calculation for out-of-state corporations,
2 changing it so that businesses needed to calculate their
3 income tax based on sales in the state. The extra income
4 collected would be transferred to create the Clean Energy
5 Jobs Fund. This fund would be equal to up to \$550 million a
6 year and would be used for funding projects that create
7 energy efficiency and clean energy jobs in California.

8 In June of the next year, in 2013 Senate Bill 73,
9 DeLeon, and Senate Bill, Leno, were passed by the
10 legislature and signed by the governor. SB 73 defined the
11 California Energy Commission as the lead agency for the K-12
12 portion of the program, while SB 852 established a
13 California Community College Chancellor's Office in charge
14 of administering college campus projects. The bills also
15 established accountability requirements to ensure these
16 funds deliver the expected outcomes, and created the
17 Citizens Oversight Board.

18 Another bill that is important for the Citizens
19 Oversight Board is Assembly Bill 2227, Quirk. This bill
20 entered into law on September 27th, 2014 and clarified the
21 rules and processes for how the Citizens Oversight Board
22 will function.

23 Here's a brief rundown of the various rules each
24 state agency handles in regards to the California Clean
25 Energy Jobs Act. This is important because as entities

1 receiving program money from the job fund, these programs
2 are subject to being reviewed by the Citizens Oversight
3 Board. I won't go into too much detail of each program. We
4 will have some of the agencies, the California Energy
5 Commission and the Community College Chancellor's Office,
6 give us an overview and update later on in this
7 presentation. But I wanted to give you all a taste of each
8 of the roles the agencies play with the Clean Energy Jobs
9 Act.

10 As you can see, the California Energy Commission
11 develops the K-12 Energy Expenditure Plan Guidelines. This
12 includes all the rules that local education agencies must
13 adhere to in order to receive funds. The Energy Commission
14 reviews and approves all K-12 projects. This is a big job
15 because they must review each measure that comes in to make
16 sure the project is eligible for the program and that the
17 project the school is proposing meets an adequate savings to
18 investment ratio. This is done through an Energy
19 Expenditure Plan.

20 Another role the Energy Commission is responsible
21 for is to maintain a database of the program, available to
22 the public. The Energy Commission must collect the annual
23 schools' energy data from the various utilities. With the
24 data it acquires the Energy Commission must prepare an
25 annual summary of expenditures, energy and cost savings.

1 Lastly, another area that is made to be connected
2 to the K-12 program that the Energy Commission also
3 administers in the Energy Conservation and Assistance Act
4 Loan Program for Education, also known as ECAA-Ed. This
5 program allows schools to receive a zero percent energy
6 efficiency loan that is paid back through the money saved
7 from the energy saving projects.

8 Another component of ECAA-Ed is the Technical
9 Assistance Program known as Bright Schools. This highly
10 popular program provides energy audits that can be used in
11 the K-12 local schools' agencies Energy Expenditure Plan.

12 I'll stop here with the Energy Commission because
13 they will be presenting more about their program status
14 later on in this presentation.

15 The next agency is the California Department of
16 Education. The Department of Ed is an important part of the
17 California Clean Energy Jobs Act because they calculate the
18 annual award allocations based on population of the school
19 and other economic factors. They distribute the funds as
20 approved.

21 Now I'll get on to the Workforce Development
22 Board. The Workforce Development Board has two important
23 roles in the California Clean Energy Jobs Act and is, along
24 with the California Conservation Corps, the entities that
25 put the jobs in the California Clean Energy Jobs Act name.

1 The first responsibility they have is to develop
2 and award a competitive grant program to fund training and
3 employment opportunities for disadvantaged youth, veterans
4 and others that are geared towards energy efficiency and
5 clean energy projects.

6 The second responsibility the Workforce
7 Development Board has is to quantify the total employment
8 affiliated with funded projects of the Job Creation Fund.

9 Next on the list is the California Community
10 College Chancellor's Office. The CCCC identifies,
11 prioritizes and installs projects at the community college
12 level. They, along with the Energy Commission, are required
13 to prepare an annual summary of expenditures to show the
14 energy and cost savings of their projects. The CCCO --
15 CCCC will be giving us a brief update later on -- in this
16 presentation, so I will let them speak more on their program
17 at that time.

18 Lastly, the California Conservation Corps, the
19 CCC, providing -- provides young adults and veterans with
20 work experience and training by conducting energy surveys
21 and energy conservation-related activities, and installs
22 some energy measures. Along with the Bright Schools
23 Program, this program ensures the energy surveys conducted
24 by the CCC Energy Corps can be used in conjunction with the
25 Energy Commission's K-12 Energy Expenditure Plan. The CCC

1 Energy Corps is also available to install simple energy
2 measures for the schools.

3 So here is a chart to show you a little bit about
4 where the appropriations of funds by the legislature for the
5 Job Creation Fund has been for the last three fiscal years.
6 We will be going over shortly the various rules different
7 state agencies play in regards to the Clean Energy Jobs Act,
8 but I wanted to give an idea of how much money goes into
9 each program.

10 As you can see, the K-12 Local Education Agency,
11 the program that approves funds to kindergarten through 12th
12 grade school districts, is administered by the California
13 Energy Commission and received a total of \$973.4 million in
14 three fiscal years.

15 The Community College District Program, the
16 program that approves funds for community college projects,
17 has a total of \$124.7 million in three fiscal years.

18 Next, the Energy Conservation and Assistance Act
19 Loan Program, which gives zero percent loads for schools to
20 start projects and provides technical assistance through the
21 Bright Schools program, received a total of \$56 million.

22 Going down the list, the California Workforce
23 Development Board, which oversees workforce training grants,
24 received \$3 million across the board for a total of \$9
25 million.

1 Lastly, the California Conservation Corps, through
2 their Energy Corps Training Program, received \$15.3 million.

3 Next, let's go on to the objectives of the
4 California Clean Energy Jobs Act. The objectives are pretty
5 basic but important to keep in mind as you begin your work
6 reviewing and examining the programs. The objectives are to
7 improve energy efficiency in schools, create good paying
8 energy efficiency and clean energy jobs in California
9 schools, and leverage existing energy efficiency and clean
10 energy programs to increase economic and energy benefits.

11 All right, next we'll talk about -- a little bit
12 about the implementation of the California Clean Energy Jobs
13 Act. The next slide is a snapshot of the timeline, to give
14 you a sense of what the California Clean Energy Jobs Act has
15 been up to for the last couple of years.

16 In November 2012 the proposition was approved. In
17 January to April 2013 the legislature hold -- held
18 implementation hearings. In June 2013 the implementation
19 legislation, SB 73, was adopted.

20 In mid-2013 the California Conservation Corps
21 launches their Energy Corps Program.

22 In October 2013 the Chancellor's Office issues
23 California Community College Program Guidelines.

24 In November 2013 the California Department of
25 Education announces the ability of K-12 planning funds for

1 energy audits and technical assistance.

2 In December 2013 the California Energy Commission
3 Program Guidelines are adopted.

4 In January 2014 the Treasurer and Controller
5 appoints the Citizens Oversight Board Members.

6 In February -- next slide please -- okay, there it
7 is. Never mind. February 2014 the California Energy
8 Commission begins to accept K-12 applications.

9 In early 2014 the California Workforce Investment
10 Board releases a solicitation for workforce training grants.

11 In April 2014 the first Expenditure Plans were
12 approved for the K-12 program.

13 In June of 2014 the California Department of
14 Education processes the first grants for energy projects.
15 The California Energy Commission Guidelines were also
16 revised and the California Workforce Investment Board
17 announces its Training Grant Award Program.

18 In September 2014 AB 2227 is adopted which
19 implements the Citizens Oversight Board.

20 In November of 2014 the Attorney General appoints
21 the Citizens Oversight Board Members.

22 In December 2014 the final 2015 K-12 Program
23 Guidelines are adopted by the Energy Commission.

24 In February 2015 the Energy Commission launches
25 the K-12 Online Application System.

1 All right, moving on. Okay, so we're going to
2 talk a little bit about the duties of the Board as outlined
3 in the Public Resource Code Section 26210, and they are as
4 follows. The Board must annually review all the Job
5 Creation Fund expenditures, this includes all the agency
6 programs just described. The Commission must issue an
7 independent audit of the Job Creation Fund. This means the
8 Board will need to think about approving a contract for an
9 independent source to audit the Job Creation Fund. They will
10 also access selected projects for effectiveness, publish a
11 complete accounting of expenditures and post on the publicly
12 available website, and they must submit an evaluation to the
13 legislature identifying changes needed to the California
14 Clean Energy Jobs Act programs.

15 Here are a few of the rules laid out of the
16 Citizens Oversight Board in the Public Resource Code Section
17 26212.

18 "Members serve a term of four years and are
19 reappointed for up to two additional terms.

20 "A majority of the Board members constitutes a
21 quorum.

22 "The Board's principal office is located here at
23 the Energy Commission building.

24 "Requests for reimbursement must be submitted to
25 the Chair for approval."

1 The Energy Commission is looking into the exact
2 process in which you will be reimbursed as soon as a chair
3 is selected for the Board. We do know that you will be paid
4 in ordinance of the State Administrative Manual.

5 Some more rules of the Citizens Oversight Board.

6 "The Board meets at least four times per year or
7 as often as necessary to conduct its business.

8 "The Chair, with Staff assistance, prepares
9 agendas for Board meetings. It must also prepare in advance
10 of meetings with input from Board staff and public.

11 "The Board and established committees must comply
12 with the Bagley-Keene Open Meeting Act, the California
13 Public Records Act, the California Government Code sections
14 pertaining to the conflicts of interest."

15 We will talk a bit more about each of these in the
16 next few slides.

17 For these next couple of slides, I just want to
18 say for the record that I'm not a lawyer, nor do I claim to
19 be. However, it was decided to give you all at least a
20 brief idea of the laws that govern how state boards and
21 commissions need to operate.

22 The Bagley-Keene Open Meeting Act mandates open
23 meetings for California state agencies, boards and
24 commissions. The act is covered in Government Code 11120 to
25 11132. The Bagley-Keene Open Meeting Act applies to all

1 state boards and commissions and requires these bodies to
2 publicly notice their meetings, prepare agendas for the
3 meetings, accept public comment, and conduct meetings in
4 public.

5 The act also states what the definition of a
6 meeting is. A meeting occurs when five or more members of
7 the board or committee members meet to hear, discuss,
8 deliberate, or take action on any item within the subject
9 matter jurisdiction of the board. The Bagley-Keene
10 requirements are triggered whether these meetings are
11 conducted in person, by email, in writing, by
12 teleconference, or through intermediaries.

13 Next is the public -- is the California Public
14 Records Act that is laid out in Government Code Section
15 6250. The act entitles the public to inspect or obtain
16 copies of governmental records to monitor the functioning of
17 government. For the California Public Records Act, a public
18 record is any information, minutes, files, accounts, or
19 other records which a governmental body is required to
20 maintain. Any person can request to view or receive copies
21 of the public records of a governmental body. Public
22 records must be provided in the time set by law.

23 Lastly, we wanted to show you some conflicts of
24 interest that can arise while being on a state board.

25 The first is the Political Reform Act, Government

1 Code 81000. This act prohibits participation in any way of
2 a governmental decision of the board if the member has a
3 prohibited financial conflict.

4 Next is Government Code 1090 that state,

5 "A public official may not participate in the
6 making of a contract in which the official has a financial
7 interest."

8 A conflict is, by one board member -- by one
9 member of the board prevents the entire board from voting on
10 that item of business before the board.

11 Lastly, Government Code 19990.

12 "A state officer or employee shall not engage in
13 any employment activity or enterprise which is clearly
14 inconsistent, incompatible, in conflict with or insubstantial
15 (phonetic) to his or her duties as a state officer or
16 employee. Conflict of interest violations may result in
17 personal liability and voiding of the contract or decision
18 in which the public official participated."

19 Next, we're going to get an update on the
20 California Clean Energy Jobs Act programs from the various
21 state agencies

22 To talk about the Energy Commission's programs and
23 projects, I will introduce Armand Angulo, Acting Manager of
24 the Local Assistance and Financing Office of the Efficiency
25 Division of the California Energy Commission.

1 MR. ANGULO: Thank you, Jack.

2 Good afternoon, Board Members, Energy Commission
3 Chair Weisenmiller, Board Member McAllister, and Public
4 Utilities Commission President Picker, as well as everyone
5 in the audience and teleconferencing in.

6 As Jack mentioned, my name is Armand Angulo and I
7 am the Acting Manager of the Local Assistance and Financing
8 Office responsible for administering our Proposition 39 K-13
9 Program. I'd like to provide an update on the Energy
10 Commission's Proposition 39 K-12 programs that include the
11 Energy Commission's program that established and created a
12 process to review and approve energy expenditure plans from
13 local educational agencies, LEAs, the Bright Schools
14 Program, the Energy Conservation Assistance Act Education,
15 also known as ECAA-Ed, and our Utility Data Project.

16 The Energy Expenditure Plan K-12 Program, the
17 Energy Commission was responsible for establishing the
18 program guidelines, accepting, reviewing and approving the
19 Energy Expenditure Plan applications, and upon approval,
20 directing the California Department of Education to
21 distribute the allocated fund associated with the approved
22 Energy Expenditure Plans, EEPs. The Energy Commission
23 approves EEPs daily, reports to the California Department of
24 Education on a weekly basis, and the Department of Education
25 disburses those approved funds on a quarterly basis.

1 The program was designed to provide flexibility to
2 account for the various eligible LEAs. For small LEAs that
3 receive a smaller annual grant, a multi-year plan can be
4 used to pool the annual grants over five years and thereby
5 fund a more capital intensive project.

6 For larger LEAs, submitting a single multi-year
7 EEP allows -- excuse me -- the LEA to plan out future
8 projects in advance and minimize project management staff
9 required to management multiple EEP submissions. Since an
10 LEA can submit a multi-year plan, it allows for unspent
11 funds to be rolled over for use in the next fiscal year
12 until July 2018. This program flexibility allows an LEA to
13 properly identify and plan installation for the most cost-
14 effective energy-efficient measures, knowing they will not
15 lose funding not used in that fiscal year.

16 Additionally, long-term planning encourages LEAs
17 to look beyond the five-year Prop 39 program to examine and
18 plan for future operation, maintenance and replacement costs
19 for equipment. Using energy savings associated with Prop 39
20 funded measures to provide for equipment maintenance and
21 building maintenance which helps prevent future maintenance
22 issues and costs many schools experience due to past budget
23 cuts.

24 Who is eligible for funding? The Energy
25 Commission's Prop 39 K-12 provides grant funding for energy

1 efficiency projects and clean energy generation projects.
2 LEAs are county offices of education, public school
3 districts, charter schools, and state special schools. In
4 Fiscal Year '14-15, 2,207 LEAs received funding allocations.
5 Eligible energy measures include lighting systems such as
6 interior or exterior lighting retrofits and lighting
7 controls, heating ventilation and air conditioning
8 retrofits, and upgraded controls such as energy management
9 systems and smart thermostats, building envelopes such as
10 windows and installation, and solar photovoltaic.

11 The other category of funding is energy planning.
12 Energy planning is a critical step to effectively achieve
13 and maintain long-term energy savings. Energy projects are
14 complicated, and many schools need assistance identifying
15 and prioritizing energy efficiency retrofits and estimating
16 energy savings. Allowing funding for energy planning helps
17 schools develop an energy plan for the five-year program.
18 Depending on the LEA size, LEAs can request all or a portion
19 of their first year of funding for planning. LEAs can
20 request up to 20 percent of their five-year entitlement for
21 planning. This category also allows funding of energy
22 managers and energy training for classified school
23 employees. To date, over 1,600 of the 2,079 LEAs have
24 requested planning funds totaling \$154 million.

25 As of August 30th, 2015, Energy Commission staff

1 had approved 536 Energy Expenditure Plans accounting for 83
2 percent of the plans submitted, totaling \$367 million. In
3 addition, LEAs have also requested \$154 million for energy
4 planning activities. Therefore to date, \$521 million have
5 been approved.

6 The types of energy measures approved to date are
7 summarized in this slide. About 60 percent are lighting and
8 lighting controls, 30 percent fall into the categories of
9 heating, ventilation, and air conditioning and control
10 measures, and the remaining 10 percent in the various other
11 categories such as plug loads, pumps, motors, building
12 envelope, and clean energy generation measures.

13 As provided for the -- as provided for in the
14 Public Resources Code, we have required all Energy
15 Expenditure projects to be cost effective as a condition of
16 our approval. Projects shall be cost effective with total
17 benefits greater than project costs over time. To meet this
18 requirement the Energy Commission established the Savings-
19 to-Investment Ratio, or SIR, and it is a critical element of
20 LEAs Energy Expenditure Plan applications. The SIR
21 represents the total-net present value of savings over the
22 total project costs for the energy -- entire energy project.
23 This ratio compares the investment the LEA will make now
24 with the energy cost savings the LEA will achieve over time.
25 An approved energy project must have an SIR of 1.05 or

1 higher.

2 Estimated job year formula. As a condition of
3 receiving Prop 39 funding the Public Resources Code requires
4 LEAs to report the number of direct full-time equivalent
5 employee jobs created as a result of installed energy
6 measures. The Energy Commission estimates direct job years
7 created using the formula recommended by the California
8 Workforce Development Board, formerly known as the
9 California Workforce Investment Board, based on a report by
10 Carol Zabin and Megan Emiko Scott's May 2013 paper,
11 Proposition 39: Jobs and Training for California's
12 Workforce. This jobs-created formula is dependent on the
13 type of energy measure. For energy efficiency measure
14 installation, 5.6 direct job years per \$1 million invested
15 is used. And for renewable energy and clean distributed
16 energy projects, 4.2 direct job years per \$1 million
17 investment.

18 Using the formula as just described and based on
19 our total funding approved for Energy Expenditure Plan
20 projects, as of August 30th, 2015 the Energy Commission
21 estimates a total of 1,800 direct jobs will be created once
22 all the approved projects are completed. Please remember,
23 I'm referring to direct full-time equivalent jobs and does
24 not include indirect and induced related jobs.

25 California Workforce Development Board is

1 responsible to quantify actual total employment affiliated
2 with Energy Expenditure Plans funded by the California Clean
3 Jobs Act and submit a report annually to the Citizens
4 Oversight Board.

5 Outreach and education. The Energy Commission
6 continues to better understand the energy challenges of
7 schools and provides outreach and education to assist and
8 guide schools through the Prop 39 K-12 Program. To promote
9 more school participation to gain further insight regarding
10 program hurdles, the Energy Commission has an ambitious
11 outreach plan including the creation of our Prop 39 K-12
12 Program web page, establishment of our Prop 39 Hotline
13 Contact Center, delivering statewide training and
14 educational seminars to LEA representatives, including their
15 contractors and consultants, ongoing ListService
16 announcements, social media program updates, and project
17 representation published on the California Climate
18 Investment Map. Energy Commission staff also target
19 outreach to the largest and smallest LEAs and those in
20 disadvantaged communities, offering technical assistance and
21 support.

22 Although LEAs will not begin reporting project
23 status until late 2015, we already know of 43 completed
24 Energy Expenditure Plan projects to date representing 91
25 school sites.

1 One example is Pleasant Ridge Union Elementary
2 School District located in Grass Valley. This one of the
3 first LEAs to complete an approved Energy Expenditure Plan.
4 The district submitted one of the first Energy Expenditure
5 Plans and was approved in April 2013. The district updated
6 heating, ventilation and cooling system, plus lighting. The
7 project was completed July 2013.

8 Another project -- another example of a completed
9 project is Santa Ana Unified School District. The district
10 applied in June 2014 and was approved for \$1.6 million for
11 energy-related school improvements, including HVAC systems,
12 controls and programmable thermostats at Harvey Elementary,
13 Monte Vista Elementary, and Kennedy Elementary.

14 The district completed this Energy Expenditure
15 Plan project and submitted a second Energy Expenditure Plan
16 application in June 2013, and has been approved for \$2.3
17 million to fund energy efficient measures such as heating,
18 ventilation and cooling systems at ten school sites.

19 I'd like to share another Prop 30 funded program.
20 The Energy Conservation and Assistance Act for Education
21 Loan Program, also known as ECAA-Ed, funding is provided by
22 the Clean Energy Jobs Fund and must be used for energy
23 projects. The ECAA-Ed is a zero interest loan program
24 available to eligible entities such as school districts,
25 charter schools, county offices of education, state special

1 schools, and community college districts. The maximum
2 amount of the loans are \$3 million and the repayment terms
3 require that the energy cost savings be used to calculate --
4 calculate payment amounts and must be paid back in full
5 within 20 years.

6 The ECAA-Ed program status update. The number of
7 ECAA-Ed loans to date is 26, total loan amount, over \$41
8 million, with total annual energy cost savings of over \$3
9 million, and total KWH savings of over 19,000, total therm
10 savings of over 34,000.

11 Our Bright Schools Program provides a wide range
12 of technical assistance to LEAs and the California Community
13 College Districts. This grant program provides up to
14 \$20,000 per work authorization that may include energy
15 audits, proposal review assistance, and bid specification
16 assistance. This program provides LEAs and the California
17 Community College Districts with valuable information
18 necessary to move forward with Energy Expenditure Plan
19 applications.

20 Our Bright Schools K-12 Program status is we've
21 had 61 completed reports. Seven audit reports are now in
22 review. We have 31 reports assigned to our contractor for
23 audits. And we have 24 waiting to go into that.

24 Our Utility Data Project is an interagency
25 collaboration with the publicly- and investor-owned

1 utilities to gather actual energy consumption and cost data
2 related to LEA sites receiving Prop 39 funding in compliance
3 with Public Resources Code Section 26240(a) and (b). Over
4 90 percent of the LEA sites identified within investor-owned
5 utilities' service territory have had energy consumption and
6 cost data submitted.

7 The Prop 39 Program was successfully launched in a
8 very short time by a collaboration of interagencies, plus
9 key input by program stakeholders and direct customers. The
10 program has achieved success and has evolved to maintain
11 processes, tools and procedures that maximize program
12 participation, while maintaining the integrity of program
13 objectives. We look forward to the programs continued
14 growth and our partnership with the LEAs, our interagency
15 group, and program stakeholders to ensure we achieve the --
16 achieve the purpose of the program and service customers.

17 This concludes my presentation. And I would like
18 to thank you very much for your time and opportunity to
19 share exciting progress with you.

20 CHAIR WEISENMILLER: Thank you. I would note of
21 the record that James Ray has joined us.

22 Welcome.

23 BOARD MEMBER RAY: Thank you.

24 MR. BASTIDA: Thank you, Armand.

25 Next up we're going to hear -- going to get a bit

1 of an update from Susan Yeager from the California Community
2 College Chancellor's Office on the Community College Prop 39
3 Program.

4 MS. YEAGER: Good afternoon. Thank you for having
5 me. I'm very excited to be here today and talk to you about
6 the California Community Colleges Chancellor's Office Prop
7 39 Program. That's four Cs and O to differentiate us from
8 three Cs which is the Conservation Corps. So I hope that
9 helps, if I've done nothing else today.

10 I am very excited to just take a few minutes of
11 your time to tell you about our program which we launched
12 very quickly in October of 2013. We -- the guidelines were
13 published and we began approving projects and giving out
14 money in approximately October '13, maybe November.

15 In 2002 -- in year one and year two of Prop 39 the
16 California Community Colleges received \$84.5 million in
17 total Prop 39 money; \$73 million, almost \$74 million of that
18 was for energy projects, and the remaining \$11 million went
19 for workforce development projects such as courses and
20 training related in energy-related fields.

21 For the energy projects we have allocated \$71
22 million of the almost \$74 million for 525 energy projects.
23 Each of the energy projects at the end of the year for each
24 campus, the savings-to-investment ratio has to be \$1.1
25 million. So we -- we track each campus at the end of each

1 year so that each of these projects is obtaining the savings
2 that it should.

3 We have 115 projects completed. And in our world
4 completed means not only installed, which is -- the
5 districts are very happy about, but also in terms of the
6 closeout paperwork, which we're very happy about because
7 that allows us to report to you. We have an additional 410
8 projects under construction at 146 community college sites.

9 So far we have saved approximately 54 million
10 kilowatt in electricity annual savings, and 1.2 million in
11 gas therms, equating to 10 million annual energy cost
12 savings. So we are saving money. And a lot of that money
13 is being plowed back, either into program or into additional
14 energy projects. We have also achieved 12 million in one-
15 time energy incentives. To translate the amount of energy
16 saved, it would power approximately 10,000 homes, so we're
17 very excited about this.

18 And in terms of jobs, we are required by SB 73 to
19 track full-time equivalents. And so we are tracking
20 construction-related jobs, because that's what we can track
21 on payroll. And so far we've, with the 115 completed
22 projects, we've achieved about 23 job years of construction
23 jobs, plus 142 job years of indirect jobs, so those jobs
24 that come up in support of the construction industry.

25 The 410 projects currently under construction will

1 generate an additional 416 job years, including 80 direct-
2 construction job years. The 525 projects in total will
3 generate approximately 13 apprenticeship job years. So Prop
4 29 is achieving its goals in terms of energy savings and job
5 creation.

6 For year three we've already started and have --
7 there was a total allocation of \$38.7 million, and we've
8 allocated that, the chancellor of the community colleges,
9 \$33.7 million for energy projects, and the remainder for
10 workforce. And these are, again, to support energy projects
11 and workforce development related to energy sustainability.

12 We do have a process. It's -- it's very
13 methodical. We -- we have a yearly call for projects.
14 Districts prioritize their projects, and we help them.
15 There's a lot of outreach to districts, I do, I, my staff
16 and consultants, we do outreach forums about once a quarter.
17 And then there's things in between where we're talking to
18 districts about the Prop 39 requirements and we hit on
19 what's important now. So, for instance, right now what's
20 important is project closeout. So we're hitting really hard
21 on that, on the education for that.

22 The projects must meet SB 73 requirements. And
23 they are reviewed by the investor-owned utilities and a
24 consultant. I should add that the CCC -- CCCS had a
25 partnership with the investor-owned utilities since 2006.

1 One of the reasons we were able to hit the ground running is
2 we had already had this partnership in place. We
3 piggybacked on that and we've simply continued to do what we
4 do, but add the Prop 39 component. Projects are then
5 approved by the Chancellor's Office. And we do allocate the
6 money to our districts based on FTES.

7 Districts can do multi-year projects, but they
8 must start the projects in the first year of the funding. So
9 if it's year three and four funding, they have to start the
10 project in year three. We didn't want to have a case where
11 we had districts sitting for five years and waiting for that
12 fifth year of funding, and then we didn't have any savings
13 to report or energy projects to report.

14 The last chart that I'd like to show you, this is
15 a representation of the types of projects that we do, year
16 one versus year two. And as you can see, in year one we did
17 a lot of lighting projects. And you can see, as we -- as we
18 did the lower hanging fruit in year one, we're moving into
19 year two, the lighting projects are less, and in year three
20 I anticipate they will be less. However, I would say that
21 we did ask districts to follow the loading order for the
22 CPUC and the utilities. And lighting represents about 25 to
23 30 percent of a campus energy budget. It's not a small
24 thing when you think of a system the size of California
25 Community Colleges.

1 So as much as we understand that projects like
2 monitoring-based commissioning and or retro-based
3 commissioning, they're very exciting, we all want them, it
4 doesn't make sense to skip over the things like lighting
5 that can improve not only the educational program, but the
6 interior of the campus, the parking lots of the campus. And
7 I've been doing capital outlay for a really long time, about
8 16 years for community colleges, and I have to say that I
9 rarely have districts stand up and thank me for a project,
10 and I have been thanked in numerous campus forums for the
11 lighting projects, that the inner campus, it feels safe,
12 that the classrooms just seem so much brighter. So our
13 colleges are very, very enthusiastic and very appreciate of
14 these projects.

15 And I just wanted to take a minute to tell you
16 that I have here statements from a little over 20 colleges
17 thanking us for the Prop 39 money and telling us how
18 successful they've been.

19 And just a couple of examples, Cerritos has done
20 interior and exterior lighting projects, as well as a
21 science building retro-based commissioning project. They
22 write that they have --

23 "This has resulted in significant energy savings,
24 provided jobs for several contractors, and created incentive
25 revenue. However, just as important, these projects have

1 increased the quality of the educational environment for the
2 students, faculty and staff. It also created opportunities
3 for the college to discuss sustainability in a larger sense
4 and gave the college positive outreach to the communities
5 that it serves."

6 And that would be Mr. David Moore, the Director of
7 Physical Plant and Construction Services at Cerritos
8 College.

9 So if I were to continue reading you would hear
10 those kinds of stories over and over again, that once you
11 start talking about energy, then Governor Brown starts
12 talking about the drought. So you start talking about
13 energy and water. And then you start talking about
14 stormwater runoff. And the next thing, you're talking about
15 sustainability. And now we're up to climate change.

16 So the conservation keeps growing, it has to keep
17 growing, and we're very excited to be a part of that. And
18 we will be, of course, submitting a report with our
19 completed projects and the data from those. But we thank
20 you for the opportunity to be here today. Thank you.

21 CHAIR WEISENMILLER: Thank you.

22 I'd like to facilitate questions from the
23 appointed members, starting with those in the room, and then
24 going to those on the phone.

25 MR. BASTIDA: Chair, I will also, before we get

1 started, just mention that the Public Advisor from the
2 Energy Commission is here and will gladly take blue cards
3 for questions in the audience.

4 CHAIR WEISENMILLER: All right. Great.

5 Questions?

6 BOARD MEMBER GORDON: I have a quick question, a
7 couple questions, but -- but probably the most important is
8 just given the confusion, certainly in the media but also
9 just on the timeline, what are you considering at the CEC
10 the official start date of the program and when does the
11 five years end? Is that a possible question to answer?

12 MR. BASTIDA: Thank you, Board Member Gordon.

13 Yeah, we -- if you look back at our -- what we were looking
14 at earlier for our -- our dates that -- that we're coming
15 at -- and also Elizabeth is here and she is actually one of
16 the experts on the Energy Commission's Prop 39, so I'll let
17 her answer this.

18 MS. SHIRAKH: Hi. My name is Elizabeth Shirakh.
19 I'm Acting Supervisor for the Prop 39 Program, and I'd be
20 happy to address your question.

21 We consider the start of the program when the
22 guidelines were approved on December 19th, 2013. And at
23 this point I consider the end of the program June 30th, I
24 think it's '21, when the final reports are due. All
25 reporting would be due to the Energy Commission.

1 BOARD MEMBER GORDON: Thank you.

2 MS. SHIRAKH: Okay.

3 BOARD MEMBER GORDON: More questions. Can I ask
4 another one?

5 What happened to the ECAA funding in 2015-2016?

6 MR. BASTIDA: From what we know the legislature
7 just didn't vote to allocate those funds. Yeah, we're not
8 sure.

9 BOARD MEMBER GORDON: I'll stop there. My other
10 ones are -- I think will be answered or were answered.

11 BOARD MEMBER HARRIS: Just one question, I think
12 looking at just trying to also premise --

13 COURT REPORTER: Please turn on your microphone,
14 sir.

15 BOARD MEMBER HARRIS: Ah, there we go.

16 Also, trying to sort out, I think, the timelines
17 and the role of the Board, it looks like, so just looking at
18 the documents prepared so far, there have been two years of
19 full grants made already. And I guess what is the -- what
20 is the timeliness or what is the -- the Board's
21 responsibility for auditing and reporting on the use of
22 those funds? And is there any -- are there timely issues?
23 Just because it's now 2015 and --

24 MR. BASTIDA: Yeah.

25 BOARD MEMBER HARRIS: -- they're two years behind.

1 MR. BASTIDA: We're just getting back some -- some
2 good information from all the -- the schools that first
3 received funds. We're receiving, as Armand talked about,
4 data from all the utilities. So we can look at actual data
5 to see if there's a change in the measures that went --
6 energy measures that were approved. So that's -- that's an
7 important component for us to show you what -- what the real
8 changes were. And that's why we haven't met it. So that is
9 an important detail to -- to look at.

10 Also, the LEAs have 12 to 15 months after their
11 first project to send in the information through our --
12 we're working to make sure the -- the schools can -- the
13 Energy Commission is working to make sure the schools can
14 submit those reports online, it's convenient for them, and
15 that they can do it within that three-month period.

16 BOARD MEMBER HARRIS: Thank you.

17 BOARD MEMBER MARTINEZ: Hello. This is Randall
18 Martinez. I have some questions.

19 CHAIR WEISENMILLER: Sure. Go ahead.

20 BOARD MEMBER MARTINEZ: Okay. Three sets of
21 questions, really.

22 During the CEC, the Energy Commission's
23 presentation on the K-12 Program there was mention that 43
24 projects were awarded at 91 different sites, or something to
25 that effect. And I'm just -- and these were SIR projects.

1 I'm curious, will there be SIR post-award audits to validate
2 the -- the projections that were made in the -- the Energy
3 Management Plans?

4 MR. BASTIDA: Elizabeth, do you want to an this
5 one?

6 BOARD MEMBER MARTINEZ: And that really is a
7 general question. What -- what type of contract auditing
8 function is there after the fact to ensure that jobs are
9 created per the projections or that savings are, in fact,
10 realized for the projections in the application?

11 MS. SHIRAKH: Hello again. This is Liz Shirakh
12 again.

13 So first, to answer your question on the
14 presentation that mentioned the 43 completed projects that
15 were at 91 school sites, we have over 500 approved Energy
16 Expenditure Plans so far. The actual reporting will begin
17 this fall, but we know of 43 completed Energy Expenditure
18 Plans. So I just wanted to respond to that.

19 As Jack mentioned on the previous question, we
20 will be starting -- the Energy Commission will be launching
21 our online reporting system this fall. And all LEAs that
22 have approved Energy Expenditure Plans will be reporting
23 their progress on their plans, as well as these completed
24 Energy Expenditure Plans. Of that 43, 10 have had more than
25 12 months of utility data to report. So we'll be getting

1 final -- final project completion on 10 of those 44.

2 As far as monitoring and verification, the second
3 part of your question, in the final project completion
4 reporting, LEAs will self-report on their actual energy
5 savings. So -- and it's my understanding the Citizens
6 Oversight Board has the ability to do actual monitoring and
7 evaluation of selected projects.

8 COMMISSIONER MCALLISTER: I wanted to actually
9 chime in on -- I wanted to chime in on this, as well. This
10 is Commissioner Andrew McAllister.

11 So we -- we thought in the design of the program
12 that it was critical to have access to the pre and post
13 utility data from the schools that are participating, and we
14 made that a condition of getting the grant money for the
15 schools. We got -- we had quite a robust conversation with
16 representatives of the schools in the state, and some
17 concern about, well, how are you going to use that data
18 to -- you know, we -- if we're also doing expansions of our
19 facilities or we're getting a bunch of computers or we're
20 having also some projects on those same sites that increase
21 our energy consumption, we don't want to have that mess up,
22 you know, our accounting for the energy efficiency upgrades
23 that we've done with Prop 39 money.

24 So that -- that's just an example of sort of their
25 concerns at the school level. And I also, you know, I share

1 the sort of circumspect nature of that question because
2 those are real patterns that happen out there in the world.
3 You know, just because you made an investment in an HVAC
4 system or lighting system at a particular school site is in
5 no way a guarantee that the overall consumption at that site
6 will go down.

7 And so the -- I think we need to understand that
8 evaluating energy savings as a result of this is not really
9 just a straightforward number-crunching game. It actually
10 requires quite a bit of study. And there, you know, there
11 is lots of expertise in the state on how to do that, but in
12 part it's using the law of large numbers and getting lots of
13 sites in so that we can look at trends and patterns and
14 overall impact and try to tease out the -- normalize for the
15 other influences that don't have anything to do with the
16 program.

17 So I don't -- the reason I'm chiming in now is
18 that I don't want to have this expectation that it's just a
19 no-brainer plug and chug math problem to figure out what the
20 impacts have done here, because that -- that evaluation
21 actually is quite a science and in some respects an art.

22 Now what we're doing in getting the data from the
23 schools I think is -- is really unprecedented in terms of a
24 state program. I think we've wanted to push the envelope on
25 that at the Commission and say, look, we're going to begin

1 sort of a new normal of when state funds, when taxpayer
2 funds, when ratepayer funds go to an investment we expect to
3 be able to look at the energy, that the impact on actual
4 energy consumed, it will help us understand the building
5 stock, starting here with the schools. But certainly there
6 are lots of different subsectors of the building stock in
7 the state.

8 We have an overall fairly ambitious goal in the
9 state to improve the energy performance of our existing
10 buildings, and the schools are sort of the first step in
11 that via Prop 39. But that will be an ongoing process. And
12 we'll be expanding it as -- as sort of appropriate to other
13 sectors as we go forward.

14 So I wanted to kind of lay out the bigger picture
15 for folks, that the -- normally a project of this size, you
16 know, in the past the level of attention that we've giving
17 to actual energy consumption I think has not been the
18 normal. And we're -- we're sort of taking advantage of the
19 fact that we're in 2015, that we have data available at the
20 utilities, that we have the authority to get that data, and
21 that we have the opportunity to use it in ways that
22 elucidate what's actually happening out there in the world
23 and help us evaluate the programs, but that it is part of an
24 ongoing sort of transition to that way of looking at the
25 impacts of our efforts.

1 BOARD MEMBER MARTINEZ: Commissioner McAllister,
2 thank you for that perspective. I do have a couple other
3 questions.

4 CHAIR WEISENMILLER: Sure. Go ahead.

5 BOARD MEMBER MARTINEZ: During the community
6 college presentation there was a discussion about the nexus
7 of energy and water, for example, as potential areas for
8 future -- future areas of investment with the Prop 39 funds.
9 And that got me thinking about optimizations and
10 optimization planning and schemes, and whether or not that
11 would be something that would be encouraged by the
12 applicants for the future, optimization of water, of power,
13 you can name it?

14 CHAIR WEISENMILLER: Please, do you want to come
15 up? Yeah, the four Cs, come up.

16 MS. YEAGER: Susan Yeager.

17 When you say optimization I'm -- I think you're
18 meaning to look at both areas at the same time and try to
19 come up with a solution that helps in both areas. And we
20 have actually started trying to identify, for instance,
21 energy projects that would be eligible -- well, I should say
22 water projects that would be eligible for incentives from
23 the IOUs so that districts could take advantage of those
24 programs. There aren't a lot and we're at the beginning of
25 that. We've developed a list. And we've started taking

1 that out to the districts.

2 But one of the things that we're really fond of
3 doing is going out to the districts and saying, hey, what do
4 you guys have? What do you need? And then taking back
5 those descriptions and seeing, is there some way we can fit
6 this in?

7 So right now community colleges really is at the
8 starting point. We have a sustainability template that was
9 developed approximately two years ago and is now out there
10 for every district in the system to use. And we now have
11 someone working on a water template. We have a work -- an
12 energy worksheet which we're now trying to get into
13 energy -- Energy Star, I think. I'm sorry, I'm not going to
14 get the right name, I never do. But the point is we are
15 actually trying to take these areas and kind of bring them
16 together and see what we can do to optimize funding and
17 performance. So that's the most that I can give you on that
18 right now.

19 I did want to -- on your question regarding
20 validation, the IOUs are actually validating our projects.
21 And then we have a consultant who's -- the districts are
22 reporting from the contractors the job hours worked. And
23 then we have a consultant who is then responsible for
24 tabulating the jobs -- job hours occurring because of that
25 specific construction job. But again, it's construction-

1 related activity. It covers the people, you know,
2 installing the project. It will not cover the back office
3 staff and the people who sold the equipment and that sort of
4 thing. But, you know, we want to do what we can to show
5 that we are trying to meet the requirements of SB 73, but
6 also that it's been a great thing for our communities.

7 Thank you.

8 BOARD MEMBER MARTINEZ: Thank you for that.

9 As it relates to the presentations that were made,
10 both by the Community Colleges and the Energy Commission,
11 for the future it would be great to see some type of visual
12 overlay of where these projects are located in California,
13 just so that we could get a good sense of the disbursement
14 geographically.

15 CHAIR WEISENMILLER: If you look at the website
16 for California Investments -- Climate Investments, it will
17 list these geographically.

18 BOARD MEMBER MARTINEZ: Okay. Could we make that
19 part of an ongoing presentation to this Board?

20 CHAIR WEISENMILLER: Sure. It's online so, again,
21 all you'd need to do is look at the website. We can
22 certainly point that -- point the Board Members to that. It
23 covers not just this program, but all the of the state's
24 climate investments.

25 BOARD MEMBER MARTINEZ: Great. Thank you.

1 One other question. Did I understand that the --
2 the projects that are funded would be retrofit projects as
3 opposed to new construction; is that -- is that a correct
4 understanding, or does new construction also qualify for
5 potential funding?

6 CHAIR WEISENMILLER: Let me encourage the staff
7 and Commissioner not nodding your heads, to vocalize.

8 MR. BASTIDA: Yes. It's for retrofit projects.
9 Liz?

10 MS. SHIRAKH: That's correct, retrofit projects.
11 It's not a new construction program, just retrofits.

12 BOARD MEMBER MARTINEZ: Thank you.

13 CHAIR WEISENMILLER: Okay. Other Board Members?
14 Okay.

15 A question. Sure, go ahead.

16 BOARD MEMBER ODBERT: Is there a mechanism in
17 place to help this Board understand if the projects are
18 meeting this criteria serving disadvantaged communities?

19 MR. BASTIDA: That's a good question. Not right
20 now. We can look into -- whoever the chair or vice chair is
21 voted on today, we can work with you to -- to look at
22 disadvantaged communities. I do know the Energy Commission
23 has looked at this a bit in detail.

24 MS. SHIRAKH: Yes. We -- if I could at least
25 address the K-12 part of the program. We are looking at

1 disadvantaged communities based on the -- oh, I always
2 forget the --

3 MR. BASTIDA: CalEnviro.

4 MS. SHIRAKH: -- it's CalEnviroScreen, thank you.
5 See, I always forget that, as well.

6 We have seven counties identified that we're
7 targeting and doing outreach to those counties and trying to
8 encourage participation from the LEAs in those counties. So
9 we're definitely considering disadvantaged communities as
10 part of our outreach and encouraging those.

11 MR. ANGULO: Thanks, Liz. Thanks, Liz.

12 I just want to add, we have a commitment to
13 diversity, to the diversity program. We've identified
14 the -- the actual eight counties and we've contacted them
15 for the LEAs involved in those and identified. At this
16 point we've approved funding for 50 percent; 50 percent of
17 our funding has gone there. So we do have that and we could
18 share that information later. We do track it. It's part of
19 our critical element of our outreach program.

20 CHAIR WEISENMILLER: Yeah. We do have -- we have
21 adopted a (inaudible) policy. We can certainly share it.
22 We, the Energy Commission, we can certainly share that with
23 the committee too.

24 COMMISSIONER MCALLISTER: Also, just to -- with
25 respect to the -- the grants, this is -- you know, it's a

1 formula program, so the -- everybody gets a grant. And what
2 we're most concerned about is helping the LEAs that are in
3 disadvantaged communities know that the program is there,
4 apply to the program, scope out good projects, and then
5 ensure that those projects, when they're implemented and
6 installed, are done well to provide the benefits that they
7 need.

8 MR. BASTIDA: I will mention really fast, also --
9 I'm sorry -- that when the California Department of Ed makes
10 its calculation for which schools to -- and how much money
11 each school district or each LEA gets that one factor that
12 is taken into account is the free meals that the students
13 receive, the number of free lunches. So they get a little
14 bit more money than -- than -- it's mostly based on
15 population, but that is a factor in it as well.

16 BOARD MEMBER RAY: My turn?

17 First of all, I apologize for being late. My
18 flight was delayed two hours.

19 The lady from the college system, junior college
20 system, a little bit incorporating some students into the --
21 into the process. And this intrigues me as it has the
22 potential of -- of leveraging the monies into future
23 generations.

24 Is there some way where we can get high schools
25 and colleges to become a part of the program so that maybe

1 there's a committee consisting of faculty and students which
2 would -- would monitor it and enable the young people to
3 take their lessons home and ultimately into the -- into the
4 workplace?

5 MR. BASTIDA: One thing I'll say is that the
6 California Workforce Development Board, part of the -- does
7 have a pretty big influence in trying to put young adults in
8 energy-related jobs. And so they do work pretty hard with -
9 - with that program. And I'm sorry they're not here today,
10 the California Workforce Development Board. They -- they
11 had a conflict that came up. But I was planning on having
12 them present at another Board meeting coming up on their
13 programs, as well.

14 MS. YEAGER: We do not track that per se as a
15 separate element. However, we do have students, for
16 instance, working on the sustainability plan. And then the
17 workforce development portion of our plan is handled in a
18 different area, and they are working on course work. We
19 have students taking energy retrofit programs or students
20 taking, you know, energy-related course work, and they've
21 been quite successful in that. So you will get some reports
22 on that, what is going on in that sector. But in terms
23 of -- you know, other than the -- the programs that have
24 some interns, I'm not sure that we can hit all of the bases,
25 you know, with one program, but we'll certainly try. And

1 we'll get more information from our workforce people for
2 our -- for our report that we're turning in.

3 All right. Thank you.

4 CHAIR WEISENMILLER: Any other questions from any
5 of the Board Members, either here or on the phone?

6 Okay, so we have one public question.

7 Regina Wilson, please.

8 MS. WILSON: Thank you. My name is Regina Wilson
9 and I'm the Executive Director for California Black Media.
10 Sorry that I was also late. It wasn't because of a plane,
11 but it was because I read about this meeting this morning in
12 the paper, so I just learned about it. But I will be quick.

13 I just wanted to talk about disadvantaged
14 communities. And I don't know if you guys really covered
15 that, other than the comments that Board Member -- how do
16 I -- Odbert -- okay -- other than what you said. But I
17 would really like to see that because I think I read a
18 comment in here that said that, you know, low-income
19 community -- low-income communities of colors are being used
20 as a wedge in some of these issues. And I would like to see
21 it addressed in understanding better how minorities and
22 communities of color are really actually being impacted. I
23 understand what the representative from the Community
24 Colleges said. But I didn't really understand the 124
25 years. You know, I'm just wondering if there's a way to

1 give me some real numbers, like how many people were -- you
2 know, got jobs? What were race -- what were their races, if
3 they -- if you have that as a breakdown so that we could
4 better understand, you know, who's actually benefitting from
5 this?

6 Thank you.

7 CHAIR WEISENMILLER: Okay. Staff, please, answer.

8 MR. BASTIDA: You know, I'm not sure that when the
9 reports what -- if -- you know, what is taken in to factor.
10 We'll have to look at that as we -- it comes up. But we
11 will definitely look at all those different things and try
12 to address it as we can.

13 MS. YEAGER: For Community Colleges, we were
14 required in the legislation to track full-time equivalence.
15 And so that's why we are tracking job hours. We don't have
16 a way currently on our -- because we thought that another
17 Board was actually tracking from payroll documents. That
18 may not be occurring. And so what I thought was is to
19 revise our forms, we won't be able to do it for projects
20 that have already gone past, but for our forms now, not only
21 to get the job hours but how many people were on the crew so
22 that, you know, it would be a little bit unofficial. It's
23 not going to be from payroll records.

24 But as of right now we can tell you how many job
25 hours and how many years that equals and if we -- you know,

1 full-time equivalence. What we can't tell you was that, you
2 know, two people equaling one time -- a full-time job or
3 three people or just one. And so we will be revising our
4 form so that we can at least get a ballpark, how many people
5 were on the crew, and that will be a nice starting point.
6 But that would probably end up being years three through
7 five for that reporting.

8 MS. WILSON: Thank you.

9 CHAIR WEISENMILLER: Do the Community Colleges
10 have -- have you adopted a diversity policy?

11 MS. YEAGER: A diversity policy?

12 CHAIR WEISENMILLER: A policy, yeah.

13 MS. YEAGER: I'm sure we have. We have no in
14 relation to Prop 39 because our allocations are given out on
15 full -- on a full-time equivalent basis. We have 72
16 districts. We cover most of the state, as does K-12. and
17 so we are hitting all of -- you know, the entire state in
18 some fashion. So we instead were looking at making sure the
19 money go out, the money got spent for appropriate
20 processes -- processes according to the criteria set forth
21 in our guidelines.

22 So we did not do a specific diversity policy as
23 per Prop 39.

24 COMMISSIONER MCALLISTER: I wanted to just make a
25 comment here too. I want to -- first, I want to

1 congratulate the Community Colleges because they -- you
2 know, you guys have knocked it out of the park. You had a
3 punch list just right out of the gate and that was great.

4 And I want to just point out that sort of -- you
5 know, compare and contrast, you know, the sort of in-house
6 approach that the community colleges can take with theirs is
7 really terrific to just getting, you know, a pipeline of
8 projects and getting them hammered out.

9 On the K-12 front, there are more than 1,000 LEAs
10 that are getting an allocation. Each one does its own
11 procurement. So -- and they often use similar guidelines,
12 is my understanding, but they're not all the same. And
13 the -- some of them have in-house shops that do most of
14 their maintenance and upgrades. Others go out, depending on
15 the size of the grant and the project scope, for -- to bid
16 and get -- you know, do competitive procurement that way.

17 So I do not know if they have as part of their
18 policies generally to track sort of the, you know, diversity
19 of the workforce that -- that implements their projects.
20 But I wanted to just point out that it's really not up to
21 the Commission to dictate sort of how those projects take
22 place, but really that's at the local level at the LEA.

23 So maybe the first step that we could do is -- is
24 look at the sort of through that lense, again look at the
25 guidelines and the reporting process to see if we're

1 gathering the kinds of information that might be able to
2 answer that question. And again, that's one of the reasons
3 we adopted a guidelines process was to make that kind of
4 flexibility, build that into the process so that when we get
5 a bucket full of issues that maybe need looking at or may
6 need changing and the way the program is implemented, we can
7 actually make that change administratively quickly and
8 effectively and sort of get on with the program
9 implementation, just as -- just as the Community Colleges
10 might with their, you know, changing the rules of the way
11 they do it.

12 So I think there's -- there's enough flexibility,
13 we can ask that question and sort of revisit things if we
14 need to.

15 CHAIR WEISENMILLER: Okay. So any more public
16 questions, either in the room or on the line?

17 So let's go on to the next item of business which
18 would be selection of the Citizens Oversight Board Chair.

19 Jack, can you describe the responsibilities of the
20 Chair?

21 MR. BASTIDA: Yeah. Before we select the Chair
22 and Vice Chair, I just want to go through some of the -- the
23 duties that each position has.

24 Well, the Chair shall oversee meetings, serve as
25 the ex officio member of all committees, work in partnership

1 with staff to ensure Board resolutions are carried out, call
2 special meetings, if necessary, appoint all committee chairs
3 and recommend who will serve on committees, prepare agendas
4 for meetings, coordinate the hiring and evaluations of staff
5 and consultants, act as the spokesperson for the Board,
6 periodically consult with Board Members on their roles, and
7 ensure that the rules and procedure and decorum contained in
8 this chapter are observed and enforced.

9 The Vice Chair shall carry out special assignments
10 as requested by the Chair, understand the responsibilities
11 of the Chair, and able to perform the duties of the Chair in
12 the Chair's absence. In the absence of the Chair during
13 meeting the Vice Chair shall perform all the functions of
14 the Chair.

15 Next slide.

16 Public Resource Code Section 26214, the first
17 meeting of the Board at which the Chair shall be selected
18 may be held upon appointment of all nine members of the
19 Board and shall be called jointly by the Treasurer,
20 Controller, and Attorney General. The Board shall elect a
21 Chair and Vice Chair at the first meeting of the Board each
22 year, and each -- and each such individual shall hold office
23 for one year commencing on the following July 1st and ending
24 when his or her successor takes office.

25 If there is a vacancy during the year in the

1 Office of the Chair or Vice Chair, a majority of the active
2 members of the Board shall elect a replacement Chair or Vice
3 Chair to serve the remainder of the year. If an interim
4 vacancy is in the Office of the Chair, then the Vice Chair
5 shall perform the duties of the Chair until the successor is
6 elected.

7 The Board shall establish rules of operation for
8 the Board that are consistent with the rules and practices
9 applicable to other state boards.

10 CHAIR WEISENMILLER: Thank you.

11 So basically any appointed member of the Citizens
12 Oversight Board may be Chair in that each appointed member
13 may nominate themselves or another appointed member. If an
14 appointed member nominates another appointed member for the
15 Chair, then the member being nominated must accept the
16 nomination. So if -- so if there is -- so anyway, I will
17 ask a nominated member if they will accept the nomination,
18 is the bottom line.

19 So with that, let's open the floor for nominations
20 by asking for a motion to open the floor for nominations,
21 and a second, following by stating, "All those in favor,
22 signify by saying, 'yes'."

23 So do I have a motion to open?

24 BOARD MEMBER ODBERT: So moved.

25 CHAIR WEISENMILLER: Do I have a second?

1 BOARD MEMBER HARRIS: (Indicates a second.)

2 CHAIR WEISENMILLER: Okay. All those in favor?
3 All those on the line? It appears to be
4 unanimous.

5 BOARD MEMBER MARTINEZ: Yes.

6 CHAIR WEISENMILLER: Okay. So it's -- okay.
7 So now the next step is let's go -- okay, so
8 anyone opposed or abstentions? (Inaudible.)

9 Okay, so let's go on. This motion has been moved
10 and approved, so let's go on to any appointed members
11 interested in being nominated for chair, please go through.
12 Any -- do we have any nominations, either yourself or
13 another member of the Board?

14 BOARD MEMBER GORDON: I feel duty-bound to
15 nominate myself for Chair --

16 CHAIR WEISENMILLER: Okay.

17 BOARD MEMBER GORDON: -- given that I was involved
18 in the -- the legislative process around Prop 39. It should
19 be clear that when I was at Next Generation that was the --
20 it no longer exists but was the nonpartisan think-tank side
21 of the Tom Steyer's operation, not the political side, and
22 as such I had no involvement in the election around Prop 39
23 but a lot of involvement in the implementation of Prop 39,
24 and have spent a lot of time thinking about this program,
25 and was the author of the report that put out the potential

1 number of 11,000 direct, indirect and induced jobs that's
2 gotten so much media attention. So therefore feel that I
3 should probably nominate myself as someone who has spent a
4 lot of time thinking about this.

5 I will say I'm not -- you know, I'm a policy
6 person. I do climate and energy policy. I know a lot about
7 those things. I am not an engineer. And I am terrible at
8 Robert's Rules of Order. So those are the two big strikes
9 against me in my self-nomination.

10 BOARD MEMBER RAY: I'll second the nomination.

11 BOARD MEMBER MARTINEZ: Sounds good.

12 BOARD MEMBER HARRIS: Yeah. If you didn't go it,
13 I was going to nominate you.

14 CHAIR WEISENMILLER: Are there any other nominees?

15 BOARD MEMBER MARTINEZ: Chairman Weisenmiller,
16 that previous report sounded great, I just didn't catch her
17 name. Who was speaking?

18 BOARD MEMBER GORDON: It's Kate Gordon.

19 BOARD MEMBER MARTINEZ: Okay. Great.

20 CHAIR WEISENMILLER: So if there's no other
21 nominations, Kate, do you want to say -- we were going to
22 give every nominee a couple minutes to describe, but I think
23 you did that. But I was going to give you -- if you want to
24 add any supplements.

25 BOARD MEMBER GORDON: Sure. I'll just say that

1 I -- just to clarify what I'm doing now, so the Next
2 Generation -- the think tank, Next Generation, has
3 officially ended. And I am now working for a think tank
4 based in Chicago called the Paulson Institute which was
5 started by Former Treasury Secretary Hank Paulson, and now
6 working on climate and energy policy in the U.S. and China.

7
8 So still very much on these issues, no longer
9 actively involved in California in the way that I was
10 before, but still very actively involved in this issue,
11 and -- and obviously really, really interested in how this
12 program plays out. I've spent an enormous amount of time
13 thinking about it and -- and very excited to finally have an
14 opportunity to talk about it in a public forum and air some
15 of the questions that have been coming to -- to me in
16 particular as a kind of representative out there on this for
17 years. So would -- would -- would be excited to be in that
18 role to be able to Chair this Board and continue to kind of
19 preside over those questions.

20 CHAIR WEISENMILLER: Great. So first, I'd like to
21 point out that everyone has one vote, and that you may vote
22 for yourself.

23 And that -- and let me turn it over to Secretariat
24 again to call the vote by order -- by -- on the nomination
25 of Kate Gordon.

1 You can raise your hand in favor, or those on the
2 line, chime in.

3 Go ahead, Tiffany.

4 BOARD MEMBER MARTINEZ: This is Randall Martinez.
5 I'm in favor.

6 SECRETARIAT WINTER: Dana Cuff -- sorry. Dana
7 Cuff.

8 BOARD MEMBER MARTINEZ: Dana has stepped out of
9 the room.

10 SECRETARIAT WINTER: I'll go back to her.
11 Kate Gordon?

12 BOARD MEMBER GORDON: Yes.

13 SECRETARIAT WINTER: Arno Harris?

14 BOARD MEMBER HARRIS: In favor, yes?

15 SECRETARIAT WINTER: Randall Martinez, we already
16 got your vote.

17 Chelina Odbert?

18 BOARD MEMBER ODBERT: In favor.

19 SECRETARIAT WINTER: Ray James?

20 BOARD MEMBER RAY: Yes.

21 SECRETARIAT WINTER: Is Ms. Cuff back?

22 CHAIR WEISENMILLER: Okay. So we have -- we have
23 a Chair.

24 Let's go through the same process --

25 BOARD MEMBER GORDON: First time I've ever got

1 here.

2 CHAIR WEISENMILLER: Yes. Congratulations.

3 Let's go through the same process on the Vice
4 Chair. So again, any member may be Vice Chair. And each
5 appointed member may nominate themselves or another
6 appointed member. If you nominate another appointed member
7 for Vice Chair, then I will ask if the nominated member
8 accepts their nomination.

9 So now let me open the floor for nominations,
10 first by asking for a motion to open the floor for
11 nominations, and then a second. All those in favor for
12 opening the floor for nominations of a Vice Chair, please
13 say yes. Well, actually --

14 BOARD MEMBER MARTINEZ: Yes.

15 CHAIR WEISENMILLER: -- give me a second first.

16 BOARD MEMBER ODBERT: Second.

17 CHAIR WEISENMILLER: Okay. So now let's do the
18 motion. All those in favor?

19 ALL BOARD MEMBER PRESENT: Yes.

20 CHAIR WEISENMILLER: All those online in favor of
21 opening for nominations? Okay. Okay. So again, it seems
22 to carry four to -- four to zero -- zero.

23 So let's ask for nominations for Vice Chair,
24 either yourself or someone else.

25 SECRETARIAT WINTER: Okay. They're having some

1 trouble with the feed line. They're unable to hear -- hear
2 us in here in the conference room. Okay. Okay. Just one
3 moment. Okay.

4 (Colloquy)

5 (Pause)

6 CHAIR WEISENMILLER: For those of you in the room,
7 we're going to take a five-minute break while we're getting
8 the communications link reestablished. Okay.

9 (Off the record at 2:33 p.m.)

10 (On the record at 2:40 p.m.)

11 CHAIR WEISENMILLER: We have reestablished
12 contact. Okay. Thank you.

13 So we were in the middle of going through the
14 process of opening for nominations for Vice Chair. And we
15 had a motion, and that's when we lost contact with two
16 Southern California members.

17 So do you have a vote on the motion to open up for
18 nominations for Vice Chair?

19 Go ahead, call the roll.

20 SECRETARIAT WINTER: Cuff? Cuff? Gordon?

21 BOARD MEMBER GORDON: Yes.

22 SECRETARIAT WINTER: Harris?

23 BOARD MEMBER HARRIS: Yes.

24 SECRETARIAT WINTER: Martinez?

25 CHAIR WEISENMILLER: Oh, no.

1 SECRETARIAT WINTER: Odbert?

2 BOARD MEMBER ODBERT: Yes.

3 SECRETARIAT WINTER: Ray?

4 BOARD MEMBER RAY: Yes.

5 CHAIR WEISENMILLER: Okay. So we still need a
6 vote from Southern California.

7 SECRETARIAT WINTER: We're missing one.

8 (Colloquy)

9 (Pause)

10 SECRETARIAT WINTER: Ms. Cuff, do we have you?
11 Mr. Martinez?

12 I'm sorry, they're disconnected again.

13 (Colloquy)

14 (Pause)

15 CHAIR WEISENMILLER: We're going to delay another
16 couple minutes while we try to reestablish contact. We had
17 contact and we lost it, so we're trying to reestablish it.

18 (Off the record at 2:45 p.m.)

19 (On the record at 2:47 p.m.)

20 CHAIR WEISENMILLER: On the record.

21 Yes, let's go through it all again. This is for
22 opening nominations for Vice Chair.

23 SECRETARIAT WINTER: Okay. Dana Cuff? Kate
24 Gordon?

25 BOARD MEMBER GORDON: Yes.

1 SECRETARIAT WINTER: Arno Harris?

2 BOARD MEMBER HARRIS: Yes.

3 SECRETARIAT WINTER: Randall Martinez?

4 BOARD MEMBER MARTINEZ: Yes.

5 SECRETARIAT WINTER: Chelina Odbert?

6 BOARD MEMBER ODBERT: Yes. Yes.

7 SECRETARIAT WINTER: James Ray?

8 BOARD MEMBER RAY: Yes.

9 CHAIR WEISENMILLER: So we have a motion that's
10 been approved.

11 Now let's go for nominations. Again, you can
12 nominate yourself or someone else. If you nominate someone
13 else I'll have to ask them if they accept or if they would
14 accept.

15 Any nominations for Vice Chair?

16 BOARD MEMBER RAY: You really need a volunteer?
17 All right, I'll volunteer.

18 CHAIR WEISENMILLER: Okay. Any other volunteers?

19 Let's take roll on the nomination.

20 BOARD MEMBER GORDON: Hear your statement; right?

21 CHAIR WEISENMILLER: Yes. Let's hear your two
22 minute statement, yes.

23 BOARD MEMBER RAY: Well, I'm very new to this.
24 This is my first appointment to a state commission. But
25 I'm -- my background is that of a real estate developer and

1 community-involved person. I was -- my engineering -- I was
2 trained as an engineer, though I don't practice. I'm
3 familiar with the concept and the principles. And I would
4 like to become helpful.

5 BOARD MEMBER MARTINEZ: I'm sorry, I didn't catch
6 your name.

7 BOARD MEMBER RAY: My name is James Ray but I go
8 by Walkie, W-A-L-K-I-E. It's a nickname.

9 BOARD MEMBER MARTINEZ: Thank you, Walkie.

10 BOARD MEMBER RAY: Thank you.

11 CHAIR WEISENMILLER: Any other nominations?
12 Let's -- let's take the roll. All those in favor?
13 Actually, Secretariat, call the roll.

14 SECRETARIAT WINTER: Kate Gordon?

15 BOARD MEMBER GORDON: Yes.

16 SECRETARIAT WINTER: Arno Harris?

17 BOARD MEMBER HARRIS: Yes.

18 SECRETARIAT WINTER: Chelina Odbert?

19 BOARD MEMBER ODBERT: Yes.

20 SECRETARIAT WINTER: Randall Martinez?

21 BOARD MEMBER MARTINEZ: Yes.

22 SECRETARIAT WINTER: James Ray?

23 BOARD MEMBER RAY: Absolutely.

24 CHAIR WEISENMILLER: Great.

25 BOARD MEMBER GORDON: Thank you.

1 CHAIR WEISENMILLER: Congratulations.

2 BOARD MEMBER HARRIS: Excellent.

3 CHAIR WEISENMILLER: Okay. So we have -- do we
4 have any public comments from anyone in the room? Please.

5 MR. BAKKE: Good afternoon. I'll be very brief.
6 Eric Bakke with the Los Angeles Unified School District. I
7 thought I would provide a little LEA perspective.

8 We just, first of all, want to express our
9 appreciation. This is an amazing program. It is providing
10 an opportunity that I don't believe has ever existed before
11 where we can actually convert capital investments into
12 operational savings. These General Fund dollars our schools
13 years every day for programs to support our kids, our
14 teachers, and our administrators. And so this is -- you
15 know, when we were dealing with the, you know, the recession
16 and the economy, these dollars really matter to us. And so
17 it's really important that we continue a program like this.
18 I know this has a sunset, but we'd love to see some
19 (inaudible) continue, something I'll advocate for, for years
20 to come.

21 But we don't have a lot of data, just wanted to
22 share some perspective from an LEA. It takes a while to get
23 these projects off the ground. This program hasn't been
24 around forever. It took, you know, the first year of the
25 legislature and the CEC to develop the regulations, which I

1 have to credit. It was an amazing job, a yeoman's task to
2 get this up and running in just the short six months you
3 did. It's -- it's impressive.

4 And then we've, as a school community, have spent
5 the last year identifying, analyzing and doing the homework
6 we need to truly do to make sure we identify the appropriate
7 projects to make these types of investments. And for Los
8 Angeles Unified, we've been able to realize that for us it's
9 high schools. Focusing on the high schools gives us the
10 biggest bang for the buck, real simply. We've submitted two
11 Expenditure Plans; 13 schools are contained in those plans,
12 roughly about \$25 million, \$265 million worth of investment,
13 and it's going to produce about \$1.5 million in annual
14 savings. We're very excited about that.

15 You know, right now we're going through getting
16 our plans approved through the Division of State Architect.
17 Once those plans are approved we'll be able to start
18 construction. And for us, we'll probably do that
19 construction in the summer months. That's when we can best
20 do our time without little messing with the students' and
21 the teachers' schedules. The summer is the time we do it.
22 So there's going to be a little bit of lag in that, but
23 that's just the way us schools operate.

24 But we're excited about this opportunity. And we
25 look forward to future meetings of this -- this Board, and

1 look to see the reports that come out of it because we know
2 they're going to be positive.

3 Thank you very much.

4 MS. FERRERA: Good afternoon. Just to continue
5 with the LEA theme, LAUSD is such a huge, huge member of the
6 school community in the state. And I know Eric has been
7 working hard. So the same problems that are going on with
8 L.A., or challenges, I should say, moving forward for --
9 from the largest schools to the smallest ones, it takes time
10 to do these projects. We need experts who help us do the
11 planning and the analysis. This is not our major, you know,
12 our main vision for schools. We're there to educate kids.
13 So we need to -- to do the planning, do it right, so that we
14 don't come before you at a later date and have issues or
15 problems. So I hope that the public understands that we are
16 doing the planning in a diligent way. We're moving forward,
17 and we look forward to those efficiencies.

18 I'm sorry, Anna Ferrera with the School Energy
19 Coalition. Wow, I should have remembered that.

20 But once the analysis is done and plans are
21 approved, schools must then set those construction time
22 tables. They have to work around students' schedules and
23 teachers' schedules, and so it does take time.

24 So we appreciate the work of the Energy Commission
25 who's been working with us on a pretty regular basis to make

1 the program work in a flexible way. And we see the plan
2 approvals moving forward at a faster pace at this point. So
3 we're here to support you. Please let us know.

4 The most important thing going forward is that
5 this process is a transparent one, that schools know what's
6 expected, that they're reviewed in a consistent manner, and
7 that -- and that -- that they comport with the guidelines
8 and the statute that exists already. And we're here to work
9 with you to make that happen. So I look forward to working
10 with you in the future. And we stand ready to support you.

11 Thank you.

12 CHAIR WEISENMILLER: Thanks for being here.

13 Anyone else in the room?

14 Okay, so let's go on the line. I've got three
15 notes. Let's start with Rick Brown.

16 MR. BROWN: Rick Brown, President of Terra Verde.
17 We're an independent energy advisor. We're actually working
18 with over 30 school districts at this point on their Prop 39
19 plan; 17 Expenditure Plans have been approved, 1 project has
20 been completed, and the other 16 all right in some phase of
21 design and or installation. Most of our clients, most of
22 our districts are in the disadvantaged category with free
23 and reduced lunch populations averaging over 60, 70 percent.
24 So we -- we have targeted that group and are moving ahead
25 with them in regards to the earlier discussion.

1 The one important comment I want to make is to
2 commend the CEC staff. Armand, his predecessor Marsha
3 Smith, Liz Shirakh, and -- and the CEC engineers really are
4 working hard to make this program right. And I want to make
5 a comment about, you know, some of the issues regarding some
6 of the delays and the -- and the sort of critique around use
7 of planning and use of auditing as part of this process.

8 My grandfather immigrated to the United States 100
9 years this year as a joiner, he was a carpenter. And one of
10 the things he pounded into me when I was a kid was the
11 carpenter's rule, measure twice, cut once. If the CEC had
12 not taken the time to get these regulations and guidelines
13 right, taken the time to get the calculators and the various
14 audit procedures and processes right, instead of people
15 complaining about dollars not being spent, what we would
16 have been hearing complaints about today is that there
17 wasn't enough thought and analysis put into these process.

18 So I think the critique that we're spending money
19 on this planning effort is actually -- is important and it's
20 something we should -- should celebrate, frankly, because
21 it's going to result in these projects being done properly.
22 The installations that we're doing here are assets that have
23 10, 15-year economic useful life. So we have to spend the
24 time up front to make that right.

25 The second comment that I want to make -- and just

1 to be clear, and Armando, we haven't always agreed with all
2 the issues. We fight and we battle and we argue and we
3 debate on some of these technical issues. So -- you know,
4 but -- but in the end we really believe that the staff over
5 there have done a great job of getting this the right way.

6 The last comment I want to make, though, is that
7 we do have an emerging issue. Armand talked about the fact
8 that a significant portion of the money is being spent on
9 lighting, and particularly on interior lighting. We have an
10 issue that the Title 24 requirements that went into effect
11 as of July 1 are adding significant costs to the
12 implementation of interior lighting without any (inaudible)
13 really improvements in energy conservation or energy
14 savings. And projects in that arena that would have had a
15 very high SIR, a low-hanging fruit, now have very low SIRs
16 because of literally tripling the cost in many cases of
17 interior lighting fixtures. The CEC needs to look at this
18 issue because it's really going to provide -- it's really
19 going to cut down and impede many of the projects that are
20 in the pipeline today.

21 I'm glad to provide further -- I've talked to the
22 CEC staff about this. But if other CEC policymakers want to
23 get input on that, I'd be glad to talk about it.

24 Thank you very much.

25 CHAIR WEISENMILLER: That's been a topic before us

1 in our business meetings. And certainly we would encourage
2 you to look at the agendas and look at the next one that's
3 scheduled, and happy to take your testimony at that point on
4 that issue.

5 Commissioner McAllister?

6 COMMISSIONER MCALLISTER: Yeah.

7 MR. BROWN: I appreciate it.

8 COMMISSIONER MCALLISTER: Rick, thanks a lot.

9 MR. BROWN: I appreciate it.

10 COMMISSIONER MCALLISTER: I appreciate your --
11 your bringing that up.

12 So this is an ongoing conversation, as the Chair
13 said. We are mostly having that conversation -- well, we're
14 having it really in two places. But mostly it's in the 2016
15 Standards Process. My direction to the Building Standards
16 Development staff has been to take feedback from folks like
17 you and the lighting installer community, anybody interested
18 in efficiency in lighting, and work to make the -- basically
19 make it clear or make the Title 24 language clearer for the
20 2016. We've heard all -- you know, your comments on the
21 2013, the current code. We've heard -- not the first time
22 we've heard them. So cleaning up and making clear and
23 establishing -- sort of getting the 2016 code where it needs
24 to be, taking advantage of the most modern lighting
25 technology but not imposing undue costs and transaction

1 costs on those projects, once we sort of figure that out and
2 come to the final language on the 2016 -- the -- well, sort
3 of in parallel with that, Staff will be having a discussion
4 with stakeholders on how -- on interpretation of the 2013.

5 And so I think we're very aware of this issue and
6 I think want to, you know, work with you to understand more
7 fully so we can sort of come to the right spot on it.

8 MR. BROWN: I really appreciate it. Thank you.

9 CHAIR WEISENMILLER: Okay. Let's go on to Jim
10 Schrage.

11 Ah, so let's just go on to Steve -- I would say
12 Renew, although the name could be misspelled.

13 MR. RENEW: And I'm representing Mt. San Jacinto
14 Community College District. Jim Schrage, I know, is with
15 another community college district.

16 And I wanted to say first, thank you. I think
17 many of us understand how tough it is to be on an oversight
18 board. And getting good feedback, I think can be helpful.

19 So here at San Jacinto College and at others that
20 I know of, we -- we've done many of the things that Susan
21 Yeager really put well for you, and I encourage you to look
22 at those -- those responses that she got from -- from some
23 of us in community college districts. It's really one thing
24 to celebrate the energy use saved and how money has been put
25 to use and the jobs that have been created and campuses

1 improved. I think one thing that -- that kind of misses
2 getting thought about is what it also does for us is causes
3 us to focus on energy planning.

4 So in thinking about not just what can we do with
5 our funding for this year but how does it -- how does it
6 mesh with five years' worth of planning, and along with
7 other funding that might come along? So we've gotten really
8 good -- good leadership from the Chancellor's Office with
9 processes and, quite frankly, very strict sort of rules of
10 order to make sure that we're following and that we come out
11 squeaky clean on it. I think that makes us all the better
12 at doing it.

13 But at the campus level the conversation becomes
14 what are our important things? Lighting is very easy to do.
15 And the first year, as you start thinking now about years'
16 two, three, four and five, which projects can be bundled
17 possibly, but which projects should come first and what will
18 have a good long lasting effect, I think it's one of the --
19 what I've not heard yet spoken about today, one of the
20 benefits of doing this. And because of that we really
21 support each other and looking forward to being able to do a
22 complete five-year program, projects over five years, not
23 because they -- they share funding over years but because
24 they complete a complete plan of five years and beyond.

25 So thank you for your time.

1 CHAIR WEISENMILLER: Thank you. Thank you.

2 Thanks for your comment.

3 Jim, are you back on the line?

4 MR. SCHRAGE: Hello?

5 CHAIR WEISENMILLER: Oh, please.

6 MR. SCHRAGE: Hello?

7 CHAIR WEISENMILLER: Yes, we can hear you.

8 MR. SCHRAGE: Oh, okay. Well, thanks. Thanks for
9 asking us to be able to speak, first of all.

10 And I would like to also echo the comments that
11 were made about our leader, Susan Yeager. They've done a
12 fantastic job helping us through this process which
13 sometimes has some red tape here and there. But with their
14 consultants we've been able to do just remarkable things
15 with the funds that we've been given.

16 And I've said this before in a letter in
17 correspondence to assemblymen and that kind of thing, it's
18 not so much -- well, it is so much saving energy that we're
19 doing. But the boost that it gives the campus, and the
20 students in particular, to see this kind of thing happening
21 while they're learning about it in the classroom is just --
22 it's unaccounted for beyond kilowatt hours saved or money
23 saved or -- or scheduled maintenance that couldn't have been
24 done otherwise.

25 So the impact that -- that this -- this

1 proposition has on us as a community college is far -- is
2 far more than -- than what can be counted on and counted in,
3 in any survey or any database or anything like that. And
4 that's -- I've talked to quite a few of my counterparts and
5 they feel the same way. The campus climate has changed
6 because of what we've been allowed to do. And we can't
7 thank you enough.

8 And again, we have Citizens Oversight Committees
9 for our local bonds. And the time and effort that you --
10 you folks spent on helping us out and doing your best to
11 understand and guiding us, it's very much appreciated on
12 behalf of the community colleges.

13 CHAIR WEISENMILLER: Thank you.

14 Anyone else on the line?

15 Any of the Board Members, any other comments?

16 Then I believe this meeting is adjourned.

17 (The meeting of the California Clean Energy Jobs Act
18 Citizens Oversight Board adjourned at 3:05 p.m.)

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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 10th day of September, 2015.



PETER PETTY
CER**D-493
Notary Public

CERTIFICATE OF TRANSCRIBER

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.

I certify that the foregoing is a correct transcript, to the best of my ability, from the electronic sound recording of the proceedings in the above-entitled matter.



MARTHA L. NELSON, CERT**367

September 10, 2015