

State of California

California Energy Commission Minutes of the January 24, 2024, Energy Commission Business Meeting

The meeting was called to order by Chair Hochschild. The Pledge of Allegiance was led by Vice Chair Gunda.

Present:

David Hochschild, Chair
Siva Gunda, Vice Chair
Noemí Gallardo, Commissioner

Patricia Monahan, Commissioner
Andrew McAllister, Commissioner

Please note that the California Energy Commission (CEC) aims to begin the business meeting promptly at the start time and the end time is an estimate based on the agenda. The meeting may end sooner or later than the time indicated depending on various factors.

Pursuant to the California Code of Regulations (CCR), title 20, section 1104(e), any person may make an oral comment on any agenda item. To ensure the orderly conduct of business, such comments will be limited to three minutes or less per person **The CEC**

THE CEC WILL CONSIDER AND MAY TAKE ACTION ON THE FOLLOWING:

1. Public Comment.

Any person wishing to comment on information items (non-voting items) shall provide comments during this period.

Public Comment:

Steve Uhler commented on Item 1 and Item 5.

Bill Kissinger commented on Item 3e.

Keegan Murry commented on Item 1.

2. Agency Announcements.

The Chair may announce relevant matters to the public and the CEC, including agency updates, events, and other opportunities. Discussion may follow.

3. Consent Calendar.

Items will be taken up and voted on as a group. A commissioner may request that an item be moved and discussed later in the meeting.

- a. City of Eureka. Proposed resolution approving amendment 2 to agreement 002-21-ECI, with the City of Eureka, to increase the loan amount by \$50,000, and adopting staff's determination that this action is exempt from the California Environmental Quality Act (CEQA). The CEC previously approved a \$1,392,677 ECAA loan to fund the installation of two solar photovoltaic (PV) systems at two sites and a light emitting diode (LED) retrofit at one site in Eureka. The budget

augmentation is being requested because the lowest bid for one of the solar PV systems is \$50,000 more than the original budget. The amendment will increase the total ECAA loan amount to \$1,442,677 and extend the simple payback period to 15.2 years. (ECAA Funding) Contact: Sean Lockwood

- b. EnergyHub, Inc. Proposed resolution approving an amendment to agreement EPC-20-011, for a novation changing the grant recipient from Packetized Energy Technologies, Inc. (Packetized Energy) to EnergyHub, Inc. due to EnergyHub, Inc.'s acquisition of Packetized Energy, and adopting staff's determination that this action will not alter the CEQA exemption findings in the original grant agreement approval. This grant funds the demonstration of an advanced load flexibility management platform to aggregate diverse groups of energy devices to respond in real-time to changing grid conditions. (EPIC Funding) Contact: Ayat Osman
- c. California Department of Food and Agriculture. Proposed resolution approving agreement 600-23-005 with the California Department of Food and Agriculture for a \$1,045,290 contract to procure fifteen mobile electric vehicle supply equipment (EVSE) measuring devices for evaluating and verifying electricity dispensed from EVSEs, in multiple counties; and adopting staff's determination that this action is exempt from CEQA. (Clean Transportation Program Funding) Contact: Bridey Scully
- d. Electric Power Research Institute, Inc. Proposed resolution approving amendment 1 to contract 800-22-008 with Electric Power Research Institute, Inc. to authorize the remaining \$886,705 from the originally approved \$1.5 million under the contractor's initial award. EPRI will support EAD's evaluation and comparison of different pathways for achieving California's clean energy goals as established in the 100 Percent Clean Energy Act of 2018 (Senate Bill 100, De León, Chapter 312, Statutes of 2018). (One Time General Fund) Contact: Hannah Craig
- e. Sentinel Energy Center (SEC) Petition to Amend (Docket 07-AFC-03C). Proposed order approving an amendment to SEC's license to add 17.18 MW of battery energy storage for black start capability, which allows the facility to begin operating without external assistance from the electric system and can assist with restoring power to the Los Angeles Basin grid in the event of a widespread system outage. Staff has concluded that the proposed amendment would not result in a significant impact on the environment, and the project would continue to comply with all applicable laws, ordinances, regulations, and standards. Contact: Elizabeth Huber
- f. Delegation of Authority to Executive Director. Proposed resolution to add authority for the Executive Director to, among other things, approve federal funding applications, execute federal pass-through awards, approve powerplant enforcement settlement agreements, and prescribe the duties, organization, and schedule of meetings of the Independent Consumer Fuels Advisory Committee. Contact: Drew Bohan

Public Comment:

None.

Commissioner McAllister moved to approve Item 3a. Commissioner Gallardo seconded. The vote was Yes (5-0).

4. Information Item – Department of Water Resources (DWR) to Provide an Update on Strategic Reliability Reserve Investments.

In accordance with AB 205, DWR is required to provide a quarterly update to the CEC regarding current and planned investments being considered for California's Electricity Supply Strategic Reliability Reserve Program. DWR will present the status of its efforts in response to the legislation and the activities taken. Contact: Delphine Hou (Staff Presentation: 10 minutes)

Information item only, no vote taken.

5. Information Item – Update on Data Visualization and Exploration Tools.

Staff will provide an update on efforts to improve data communication, visualization, and access for the public. This presentation will focus on progress made since the last business meeting update on this topic; new training, staffing, and capabilities; and goals for the upcoming calendar year. Contact: Jason Harville (Staff Presentation: 5 minutes)

Information item only, no vote taken.

6. Order Instituting Informational Proceeding (OIIP) (Docket 24-OIIP-01).

Proposed OIIP to authorize the lead commissioner and executive director to gather and assess information focused on justice, access, equity, diversity, and inclusion (JAEDI). The OIIP will involve formal dialogue with the public and establish a record of input from multiple perspectives, including those of local governments, California Native American tribes, community leaders, environmental justice and environmental groups, and the public as part of the CEC's mission to achieve a clean energy future for all. The CEC staff will use the input received through this OIIP to develop recommendations for further embedding JAEDI principles into its programs, policies, and projects. Contact: James Qaqundah (Staff Presentation: 5 minutes)

Public Comment:

None.

Commissioner Gallardo moved to approve Item 6. Commissioner McAllister seconded. The vote was Yes (4-0).

7. CEC and California Workforce Development Board Collaboration.

Possible adoption of the Partnership Agreement & Business Use Case Proposal for the CEC and California Workforce Development Board to Collaborate on Increasing Economic Opportunities for all Californians. The scope of the agreement includes interagency technical assistance, analysis, and education for workforce development in clean energy, to support high-quality jobs, careers, and workforce education and training, and facilitate greater access to quality employment and workforce development opportunities in the energy sector for disadvantaged and low-income communities in California. Contact: Erik Stokes (Staff Presentation: 5 minutes)

Public Comment:

Steve Uhler commented on Item 7.

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Commissioner Gallardo moved to approve Item 7. Commissioner McAllister seconded. The vote was Yes (4-0).

8. The Regents of the University of California, on behalf of the Berkeley Campus.

Proposed resolution approving agreement PIR-23-010 with The Regents of the University of California, on behalf of the Berkeley Campus, for a \$3,000,000 grant to demonstrate the coupling of remote and embedded sensing technologies with an open-source seismic risk assessment tool, and adopting staff's determination that this action is exempt from CEQA. This demonstration project will take place in Alameda, Contra Costa, and Santa Clara counties, and will assess current conditions, predict future reliability of gas pipeline infrastructure, and inform appropriate prioritization of natural hazard and seismic risk mitigation measures. (Gas R&D Funding) Contact: Pooya Khodaparast (Staff Presentation: 5 minutes)

Public Comment:

Steve Uhler commented on Item 8.

Commissioner McAllister moved to approve Item 8. Commissioner Gallardo seconded. The vote was Yes (4-0).

9. Hydrogen Blending and Lower Oxides of Nitrogen Emissions in Gas-Fired Generation (Hyblox) – GFO-22-504.

This solicitation sought to fund the development and demonstration of emission-mitigating technologies and gas-fired power generation technologies that can run efficiently on high blends of hydrogen in the fuel stream while mitigating greenhouse gas and oxides of nitrogen emissions to support meeting California's goals for carbon neutrality and improving public health and safety. This item includes three projects totaling \$7,586,368. (Gas R&D Funding) Contact: Nadia Richards (Staff Presentation: 10 minutes)

- a. Tour Engine, Inc. Proposed resolution approving agreement PIR-23-008 with Tour Engine, Inc. for a \$1,201,141 grant to develop and demonstrate the Tour Engine and the Tour ENABLE, a small engine based micro combined heat and power system using the 5-kW Tour Engine hybridized with a 15-kW battery, and adopting staff's determination that this project is exempt from CEQA. The Tour Engine and the Tour ENABLE system in San Diego County will run efficiently on high blends of hydrogen (exceeding 30 percent by volume) up to 100 percent in the fuel stream while mitigating greenhouse gas and oxides of nitrogen emissions.
- b. Noble Thermodynamic Systems, Inc. Proposed resolution approving agreement PIR-23-009 with Noble Thermodynamic Systems, Inc. for a \$4,242,259 grant to develop and demonstrate the use of hydrogen gas, and using non-reactive argon to substitute nitrogen (in air) in a retrofitted, reciprocating, internal-combustion,

piston engine with a nameplate capacity of at least 300 kilowatts in Pomona, and adopting staff's determination that this project is exempt from CEQA. The grant's purpose is to operate the engine on increasing blends of hydrogen compared to fossil gas without generating oxides of nitrogen emissions and capturing greenhouse gases while maintaining benchmark fuel-to-electricity efficiency and generation system performance.

- c. Enchanted Rock, LLC. Proposed resolution approving agreement PIR-23-011 with Enchanted Rock, LLC for a \$2,142,968 grant to develop and demonstrate a gas-fired power generation technology in San Marcos that can run efficiently on high blends of renewable hydrogen (exceeding 30 percent by volume) in the fuel stream while mitigating greenhouse gas emissions and criteria pollutants, and adopting staff's determination that this project is exempt from CEQA.

Public Comment:

Ian Blakely with Enchanted Rock commented on Item 9c.

Miguel Sierra Aznar commented on Item 9.

Oded Tour with Tour Engine, commented on Item 9a.

Steve Uhler commented on Item 9a.

Sarah Taher with San Diego General Electric commented on Item 9.

Adam George with San Diego General Electric commented on Item 9a,b,c.

Commissioner McAllister moved to approve Item 9. Commissioner Gallardo seconded. The vote was Yes (4-0).

10. Peer-Hydro: Precipitation Enhancement and Environmental Research for Hydropower Generation – GFO-22-306.

This solicitation sought to fund research to advance strategies for managing California's hydropower resources for optimal contribution to grid operations and foster development in cost-effective, robust approaches to meet anticipated needs for zero-carbon, fast-ramping resources. Research will provide better information and tools to reduce the environmental effects of hydropower operations. (EPIC Funding) Contact: Joe O'Hagan (Staff Presentation: 10 minutes)

- a. The Regents of the University of California, on behalf of the Davis Campus. Proposed resolution approving agreement EPC-23-021 with The Regents of the University of California, on behalf of the Davis Campus, for a \$494,711 grant to fund the application of the California Environmental Flows Framework (CEFF), and adopting staff's determination that this project is exempt from CEQA. CEFF and the concept of functional flows are an innovative approach to instream flow determinations and associated water release management that may be applied for hydropower projects to improve downstream ecological conditions.
- b. The Regents of the University of California, on behalf of the Merced Campus. Proposed resolution approving agreement EPC-23-022 with The Regents of the University of California, on behalf of the Merced Campus, for a \$500,000 grant to develop a decision support system for the Federal Energy Regulatory

Commission's (FERC) hydropower relicensing process that balances ecological and energy concerns in the context of climate change, and adopting staff's determination that this project is exempt from CEQA.

Public Comment:

None.

Commissioner McAllister moved to approve Item 10. Commissioner Gallardo seconded. The vote was Yes (4-0).

11. Building Decarbonization Coalition.

Proposed resolution approving agreement 500-23-002 with Building Decarbonization Coalition for a \$9,000,000 contract, authorized by Assembly Bill (AB) 102 (Chapter 38, Budget Act of 2023), to manage a public-private partnership dedicated to achieving Governor Newsom's goal of installing 6 million heat pumps by 2030 through a consumer technical assistance, education, and outreach program to assist Californians in leveraging federal Inflation Reduction Act and other incentives and tax credits to decarbonize homes and address heat pump adoption barriers. (General Fund Funding) Contact: Bryan Early (Staff Presentation: 5 minutes)

Public Comment:

Steve Uhler commented on Item 11.

Commissioner McAllister moved to approve Item 11. Commissioner Gallardo seconded. The vote was Yes (4-0) with Chair Hochschild abstained.

12. Information Item – AB 590 Briefing

An overview of Assembly Bill (AB) 590 (Hart, Chapter 535, Statutes of 2023) and the impacts on the CEC's grant programs. The bill permits state agencies administering grant programs to provide an advance payment of up to 25% of a grant to a nonprofit organization recipient. Contact: Brady Borcharding (Staff Presentation: 5 minutes)

Information item only, no vote taken.

13. Minutes.

Possible approval of the December 13, 2023 Business Meeting minutes.

Public Comment:

None.

Commissioner McAllister moved to approve Item 13. Commissioner Gallardo seconded. The vote was Yes (4-0).

14. Lead Commissioner or Presiding Member Reports.

A lead commissioner on a policy matter and a presiding member on a delegated committee may report to the CEC on relevant matters, and discussion may follow.

15. Executive Director's Report.

The Executive Director did not give a report.

16. Public Advisor's Report.

The Public Advisor did not give a report.

17. Chief Counsel's Report.

The Chief Counsel did not give a report.

There being no further business the meeting was adjourned.

Respectfully submitted,

Signed By:

BLANCA CAMBEROS
Secretariat