

State of California
California Energy Commission
Minutes of the January 25, 2021, Energy Commission Business Meeting

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

Present:

David Hochschild, Chair
Janea A. Scott Vice Chair
Patricia Monahan, Commissioner

Karen Douglas, Commissioner
J. Andrew McAllister, Commissioner

The California Energy Commission's (CEC) January 25, 2021 Business Meeting was held remotely, consistent with Executive Orders N-25-20 and N-29-20 and the recommendations from the California Department of Public Health to encourage physical distancing to slow the spread of COVID-19. The public was able to participate and observe the meeting consistent with the direction in these Executive Orders. Instructions for remote participation were provided in the notice for this meeting and as set forth below in the agenda.

THE CEC CONSIDERED THE FOLLOWING AND TOOK ACTION AS NOTED:

1. 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. THE SOLAR FOUNDATION. Proposed resolution approving Agreement 200-20-013 with The Solar Foundation for a \$5,000 sponsorship contract to support the research and implementation of the 2020 National Solar Jobs Census, including California-specific data. (ERPA funding) Contact: Michael Poe.
- b. SACRAMENTO MUNICIPAL UTILITY DISTRICT (20-EPS-01). Consideration and possible adoption of proposed order approving the Executive Director's recommendation that the Sacramento Municipal Utility District's Power Purchase Agreement with Roseburg Forest Products Co. for the procurement of bioenergy from the Weed Cogeneration Plant be found compliant with the Emission Performance Standard for Local Publicly Owned Electric Utilities pursuant to Senate Bill 1368 (California Code of Regulations, Title 20, Sections 2900-2913). Contact: Michael Nyberg.
- c. EVERGREEN ECONOMICS, INC. Proposed resolution approving Amendment #1 to Agreement 400-19-002 with Evergreen Economics, Inc. for a \$45,000 budget augmentation. This augmentation would allow the maximum number of Standardized Regulatory Impact Assessment (SRIA) reports produced to increase from 9 to 12. Amendment #1 also includes expanded details on "knowledge transfer" tasks involved with the development of each SRIA. (COIA funding) Contact: Carlos Baez.

- d. UNIVERSITY OF CALIFORNIA, BERKELEY, ENERGY INSTITUTE AT HAAS SCHOOL OF BUSINESS. Proposed resolution approving Agreement 800-20-002 with University of California, Berkeley, Energy Institute at Haas School of Business for a \$12,500 contract to co-sponsor the 2021 POWER Conference on Energy Research and Policy in Berkeley on March 16-19, 2021, and adopting staff's determination that this item is exempt from CEQA. The 2021 POWER Conference will be the 26th annual conference focusing on electricity markets and systems. (ERPA funding) Contact: Lynn Marshall.

Vice Chair Scott moved to approve Item 1 and Commissioner Douglas seconded. The vote was unanimous (5-0).

2. Janea A. Scott.

Proposed resolution recognizing and commending Vice Chair Scott for her leadership at the CEC and for the contributions she has made in advancing California's equitable and clean energy policies. Contact: Rhetta DeMesa. (Staff Presentation: 5 minutes)

The Commissioners presented Vice Chair Scott with a resolution and commended her for her contributions to and achievements at the Energy Commission. No vote was taken.

3. California Energy Demand Forecast Update, 2020-2030.

Proposed resolution adopting the *California Energy Demand 2020-2030 Forecast Update*. This update to the previously adopted electricity demand forecast incorporates an additional year of historical data, more recent economic and demographic outlooks, and revised vehicle electrification, self-generation and battery storage forecasts. The forecast update also includes revised hourly and monthly peak electricity demand for the California Independent System Operator control area. If adopted, the forecast update would be used in various planning processes, including the California Independent System Operator's transmission planning studies and the California Public Utilities Commission's Integrated Resource Plan. Contact: Nick Fugate. (Staff presentation: 15 minutes)

Commissioner McAllister moved to approve Item 3 and Commissioner Monahan seconded. The vote was unanimous (5-0).

4. Redwood Energy.

Proposed resolution approving Agreement EPC-20-004 with Redwood Energy for a \$2,043,755 grant to demonstrate an advanced heat pump water heater load control technology that will achieve load flexibility for central water heating systems in multifamily buildings, and adopting staff's determination that this action is exempt from CEQA. (EPIC funding) Contact: Kadir Bedir. (Staff presentation: 5 minutes)

Vice Chair Scott moved to approve Item 4 and Commissioner McAllister seconded. The vote was unanimous (5-0).

5. Climate Scenarios and Analytics to Support Electricity Sector Vulnerability Assessment and Resiliency Planning – GFO-19-311.

The purpose of this solicitation was to support the development of next-generation climate projections for California’s Climate Change Assessments and delivery of data in a manner that informs the energy sector planning and research through stakeholder engagement, data analytics, and development of a data platform. (EPIC funding) Contact: Alex Horangic. (Staff presentation: 5 minutes)

- a. THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, ON BEHALF OF THE SAN DIEGO CAMPUS'S SCRIPPS INSTITUTION OF OCEANOGRAPHY. Proposed resolution approving Agreement EPC-20-006 with The Regents of the University of California, on behalf of the San Diego Campus's Scripps Institution of Oceanography, for a \$1,500,000 grant to develop the next generation of downscaled climate projections, guided by stakeholder engagement, to support electricity sector resilience by informing energy sector planning and research, and adopting staff's determination that this action is exempt from CEQA.
- b. EAGLE ROCK ANALYTICS. Proposed resolution approving Agreement EPC-20-007 with Eagle Rock Analytics for a \$3,500,000 grant to develop a stakeholder-informed, state-of-the-art climate data platform, generating actionable, user-informed climate data and analytics tailored for electricity sector climate adaptation and resilience planning, and adopting staff's determination that this action is exempt from CEQA.

Vice Chair Scott moved to approve Item 5 and Commissioner Douglas seconded. The vote was unanimous (5-0).

6. Energy Conservation Assistance Act-Education Subaccount (ECAA-Ed) Competitive Loan Program – PON-19-101.

Proposed resolutions approving 13 ECAA-Ed loans to local educational agencies (LEAs) at zero percent interest to finance energy efficiency and renewable energy projects. Program Opportunity Notice 19-101 evaluated applications from LEAs on a competitive basis based on priority criteria: number of students, geographic region, percent of students eligible for free or reduced-price meals, and energy savings. (Clean Energy Job Creation Fund) Contact: Camille Remy-Obad. (Staff presentation: 5 minutes)

- a. Proposed resolution approving Agreement 015-20-ECG with the South Bay Union School District for a \$257,600 zero percent interest loan to install a 70 kW roof-mounted solar photovoltaic (PV) array and retrofit exterior lighting fixtures with energy efficient LEDs at the Pine Hill Elementary School, and adopting staff's determination that this action is exempt from CEQA. The proposed solar project is estimated to generate 90,050 kWh of electricity and the lighting measure is estimated to save 6,544 kWh, resulting in a combined annual energy cost savings of \$23,191.
- b. Proposed resolution approving Agreement 014-20-ECG with the Redwood Coast Montessori School for a \$125,600 zero percent interest loan to install a

- 10 kW roof-mounted solar PV array and replace seven propane furnaces with energy efficient heat pumps at the Redwood Coast Montessori School, and adopting staff's determination that this action is exempt from CEQA. The proposed project is estimated to generate 12,632 kWh of electricity and save 3,012 gallons of propane, resulting in an annual energy cost savings of \$9,371.
- c. Proposed resolution approving Agreement 012-20-ECG with the Pacific Union School District for a \$437,343 zero percent interest loan to install a 125kW roof-mounted solar PV array at the Pacific Union School and adopting staff's determination that this action is exempt from CEQA. The proposed solar project is estimated to generate 148,593 kWh of electricity, resulting in an annual energy cost savings of \$25,984.
 - d. Proposed resolution approving Agreement 013-20-ECG with the Pierce Joint Unified School District for a \$1,974,850 zero percent interest loan to install three carport-mounted solar PV arrays, totaling 256 kW, at Pierce High School, and adopting staff's determination that this action is exempt from CEQA. The proposed solar project is estimated to generate 430,700 kWh of electricity, resulting in an annual energy cost savings of \$105,522.
 - e. Proposed resolution approving Agreement 003-20-ECG with the Buttonwillow Union Elementary School District for a \$792,352 zero percent interest loan to install a 132kW ground-mounted solar PV shade structure at the Buttonwillow Elementary School and adopting staff's determination that this action is exempt from CEQA. The proposed project is estimated to generate 275,373 kWh of electricity, resulting in an annual energy cost savings of \$60,693.
 - f. Proposed resolution approving Agreement 004-20-ECG with the Chualar Union School District for a \$599,427 zero percent interest loan to install a 98.3 kW ground-mounted solar PV shade structure at the Chualar Union Elementary School and adopting staff's determination that this action is exempt from CEQA. The proposed project is estimated to generate 159,200 kWh of electricity, resulting in an annual energy cost savings of \$30,583.
 - g. Proposed resolution approving Agreement 005-20-ECG with the Golden Valley Unified School District for a \$1,712,180 zero percent interest loan to install various energy efficient devices at the District Office, Liberty High School, Ranchos Middle School, and Webster Elementary School, and adopting staff's determination that this action is exempt from CEQA. This project will: (1) upgrade existing interior lighting (mostly fluorescent lighting) to high efficiency LED lighting at all four sites, (2) install a plug load management system at all four sites, and (3) upgrade HVAC controls at two sites. The proposed project is estimated to save 732,572 kWh of electricity resulting in an annual energy cost savings of \$134,745.
 - h. Proposed resolution approving Agreement 006-20-ECG with the Hanford Elementary School District for a \$2,473,151 zero percent interest loan to install a total of 522 kW ground-mounted shade structure solar PV systems at Monroe, Joseph Simas, and Martin Luther King Jr Elementary Schools, and adopting staff's determination that this action is exempt from CEQA. The

proposed project is estimated to generate 1,066,112 kWh of electricity, resulting in an annual energy cost savings of \$140,082.

- i. Proposed resolution approving Agreement 007-20-ECG with the Pixley Union Elementary School for a \$1,465,747 zero percent interest loan to install a 396 kW ground-mounted solar PV systems to serve both Pixley Elementary School and Pixley Middle School, and adopting staff's determination that this action is exempt from CEQA. The proposed project is estimated to generate 840,727 kWh of electricity, resulting in an annual energy cost savings of \$115,559.
- j. Proposed resolution approving Agreement 008-20-ECG with the Upland Unified School District for a \$2,987,865 zero percent interest loan for the installation of open-rack ground-mounted carport solar PV systems totaling 892 kW at five separate school sites, and adopting staff's determination that this action is exempt from CEQA. The proposed project is estimated to generate 1,523,011 kWh of electricity, resulting in an annual energy cost savings of \$171,563.
- k. Proposed resolution approving Agreement 010-20-ECG with Provisional Accelerated Learning Academy for a \$238,028 zero percent interest loan to install a 51.705 kW PV array at Provisional Accelerated Learning Academy, a school in San Bernardino, California, and adopting staff's determination that this action is exempt from CEQA. The proposed project is estimated to generate 94,491 kWh of electricity, resulting in an annual energy cost savings of \$19,371.
- l. Proposed resolution approving Agreement 011-20-ECG with School of Arts and Enterprise for a \$610,822 zero percent interest loan to install a 65.239 kW PV array on the rooftop of the high school and a 96.123 kW PV array on the rooftop of the junior high school, and adopting staff's determination that this action is exempt from is CEQA. The proposed project is estimated to generate 294,889 kWh of electricity, resulting in an annual energy cost savings of \$71,408.
- m. Proposed resolution approving Agreement 009-20-ECG with Palo Verde Unified School District for a \$2,981,800 zero percent interest loan to install a 582 kW carport PV array at Palo Verde High School and a 295 kW carport PV array at Felix J. Appleby Elementary School, and adopting staff's determination that this action is exempt from CEQA. The proposed project is estimated to generate 1,547,148 kWh of electricity resulting in an annual energy cost savings of \$215,339.

Commissioner McAllister moved to approve Item 6 and Vice Chair Scott seconded. The vote was unanimous (5-0).

7. Local Ordinance Application (19-BSTD-06).

Possible approval of resolutions to approve five applications submitted by local jurisdictions for energy ordinances that exceed the energy efficiency requirements of the 2019 Energy Code (Title 24, Part 6). Contact: Danuta Drozdowicz. (Staff presentation: 5 minutes)

- a. CITY OF CAMPBELL. New ordinance requiring that newly constructed residential building units use electricity for space and water heating with natural gas permitted for cooking appliances and fireplaces.
- b. CITY OF MILLBRAE. New ordinance requiring that newly constructed buildings are all-electric with natural gas permitted for cooking appliances and fireplaces in low-rise residential units and exceptions allowed for applications such as commercial kitchens and laboratories in nonresidential buildings. Photovoltaic systems are required on all new buildings and rewiring for electric appliances is required where gas appliances are installed.
- c. CITY OF SUNNYVALE. New ordinance requiring that newly constructed buildings and substantial renovations and additions are all-electric with exceptions allowed for applications such as emergency centers and commercial kitchens. Photovoltaic systems are required on all new buildings and rewiring for electric appliances is required where gas appliances are installed.
- d. CITY OF CHULA VISTA. New ordinance requiring that homes and condominiums built prior to 2006 implement prescriptive or performance-based energy efficiency improvements when adding to or remodeling the building.
- e. CITY OF LOS ALTOS. New ordinance requiring that accessory dwelling and low-rise residential units are all-electric with natural gas allowed for cooking appliances and fireplaces. New nonresidential and multifamily buildings are required to be all-electric with exceptions allowed for applications such as laboratories and commercial kitchens. Rewiring for electric appliances is required where gas appliances are installed.

Commissioner McAllister moved to approve Item 7 and Commissioner Monahan seconded. The vote was unanimous (5-0).

8. Report from Committee and Possible Additional Direction to Committee Regarding Progress on Small Power Plant Exemption Application for the Sequoia Backup Generating Facility (19-SPPE-03).

C1-Santa Clara, LLC filed an application for a small power plant exemption (application) that proposes to construct and operate the Sequoia Backup Generating Facility, consisting of 54 diesel-fired backup generators to provide an uninterruptible power supply to the Sequoia Data Center during interruptions of the electrical supply. On November 16, 2020, the CEC voted to affirm a prior order remanding the matter to the Committee appointed to conduct proceedings on the Application. As part of the order remanding the proceeding, the CEC directed the Committee to report at the January 2021 business meeting on progress made in resolving the remaining issues. After receiving the report from the Committee, the CEC may provide additional direction to the Committee on the conduct of the proceedings. Contact: Susan Cochran. (No formal Staff presentation)

- a. Possible closed session deliberation on the above described SPPE. Government Code Section 11126(c)(3).

The Commissioner's went into closed session. Upon returning from closed session the Chair was not present. Commissioner Douglas reported out that if a revised decision has not been issued by April, the committee will report back to the commission at the April business meeting.

9. Minutes.

Possible approval of the December 22, 2020 business meeting minutes.

Commissioner Douglas moved to approve Item 9 and Commissioner McAllister seconded. The vote was 4-0.

10. Lead Commissioner or Presiding Member Reports.

The Commissioner's reported on their recent activities.

11. Executive Director's Report.

The Executive Director gave a report.

12. Public Advisor's Report.

The Public Advisor gave a report.

13. Public Comment.

None.

14. Chief Counsel's Report.

- a. Pursuant to Government Code section 11126(e), the CEC may adjourn to closed session with its legal counsel to discuss any of the following matters to which the CEC is a party:
 - i. *In the Matter of U.S. Department of Energy (High Level Waste Repository), (Atomic Safety Licensing Board, CAB-04, 63-001-HLW); State of California v. United States Department of Energy (9th Cir. Docket No. 09-71014).*
 - ii. *Communities for a Better Environment and Center for Biological Diversity v. Energy Resources Conservation and Development Commission, and California State Controller (Alameda County Superior Court, Case No. RG13681262).*
 - iii. *State Energy Resources Conservation and Development Commission v. Electricore, Inc. and ZeroTruck (Sacramento County Superior Court, Case No. 34-2016-00204586).*
 - iv. *Natural Resources Defense Council, Inc., et al. v. United States Department of Energy (Federal District Court, Northern District of California, Case No. 17-cv-03404).*
 - v. *In re: PG&E Corporation and in re: Pacific Gas and Electric Company (United States Bankruptcy Court, Northern District of California, San Francisco Division, Case No. 19-30088).*

- vi. *State Energy Resources Conservation and Development Commission v. HyGen Industries, Inc* (Sacramento County Superior Court, Case No. 34-2019-00252543).
 - vii. *Olson-Ecologic Testing Laboratories, LLC v. CEC*. (Orange County Superior Court, Case No. 30-2019-01115513).
 - viii. *Interlink Products International, Inc. v. Xavier Becerra, Drew Bohan, Melissa Rae King* (United States District Court for the District of New Jersey, Case No. 2:20-cv-10566).
 - ix. *Southern California Gas Company v. California State Energy Resources Conservation and Development Commission* (Orange County Superior Court, Case No. 30-2020-01152336-CU-WM-CXC).
- b. Pursuant to Government Code sections 11126 (a) and (e), the CEC may also discuss any judicial or administrative proceeding that was formally initiated after this agenda was published; or determine whether facts and circumstances exist that warrant the initiation of litigation, or that constitute a significant exposure to litigation against the CEC, which might include personnel matters.

The Chief Counsel gave a report.

Appearances:

(All by telephone/Zoom)

Wade Crowfoot, Calif. Natural Resources Agency

Alice Reynolds, Governor's Office

Matt Baker, CNRA

Martha Guzman Aceves, Calif. Public Utilities Commission

Mary Nichols, Former CARB Chair

Carla Peterman, Southern Calif. Edison

Stan Greschner, GRID Alternatives and DACAG

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Sara Gersen, Earthjustice

Sean Armstrong, Redwood Energy

Scott Galati, DayZen, LLC on behalf of C1-Santa Clara, LLC

Steve Black

Grace Anderson, WIRAB

Holly Taylor, WIEB

There being no further business, the meeting was adjourned.

Respectfully submitted,

Original Signed by:

CODY GOLDTHRITE
Secretariat