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STATE OF CALIFORNIA
ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

CALIF. ENERGY COMMISSION
JUN 28 1984
RECEIVED IN DOCKETS'

BUSINESS MEETING
VOLUME I OF II

1516 NINTH STREET
1st FLOOR HEARING ROOM
SACRAMENTO, CALIFORNIA

TUESDAY, JUNE 19, 1984
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COMMISSIONERS PRESENT

- Charles R. Imbrecht, Chairman
- Arturo Gandara, Vice Chairman
- Russell L. Schweickart, Commissioner
- Geoffrey D. Commons, Commissioner
- Barbara Crowley, Commissioner

EX OFFICIO

- Bill Foley

STAFF PRESENT

- Randall M. Ward, Executive Director
- William Chamberlain, General Counsel
- Gary Fay
- Leon Vann
- Dan Nix
- Paul Gertner
- Thomas Tanton
- Bill Pennington
- Karen Griffin
- Jim Kelly
- Manuel Alvarez
- Lorri Gervais, Secretary

PUBLIC ADVISOR'S OFFICE

- Ernesto Perez

ALSO PRESENT

- Don M. Blackman, Insulation Contractors Association of America, California/Nevada Chapter

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ALSO PRESENT (Con't.)

- Thomas J. Dwyer, Linear Corporation/Colorado Electro-Optics
- Harold Lipchik, National Technical Systems
- Gilbert Simon, Tishman Research Company
- James Himonas, Novitas, Inc.
- Nancy Farley, V/ARS, Inc.

GARON ERASSABLE BOND
25% COTTON

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P R O C E E D I N G S

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3 CHAIRMAN IMBRECHT: We'll call the meeting to
4 order. We have four Commissioners. Good morning. We have
5 a long agenda ahead of us for the next two days, a great
6 number of items that need to be dealt with before the
7 close of this fiscal year.

8 The first item before us -- I might say all
9 present, Commissioner Gandara will be here shortly, I
10 understand. A quorum is present. Commission consideration
11 I'm sorry, we neglected our short-lived tradition. It's
12 only been in existence for a short time, but I'll ask
13 Commissioner Crowley, would you like to lead us in the flag
14 salute. Please rise.

15 (Pledge of Allegiance.)

16 CHAIRMAN IMBRECHT: Thank you. Now we'll turn to
17 our agenda for today. The first item before us is
18 Commission consideration and possible adoption of an order
19 instituting a rulemaking to evaluate that the requirement
20 for wind energy systems to file performance reports with the
21 Energy Commission as a condition of eligibility for state
22 tax credits. Mr. Ward, would you like to begin on that?

23 EXECUTIVE DIRECTOR WARD: Yes, Mr. Chairman. I
24 understand that this is essentially a Committee issue, and
25 Commissioner Schweickart may want to brief the Commission.

1 In addition, we have Gary Fay from the General Counsel's
2 Office and Leon Vann from the Development Division.

3 COMMISSIONER SCHWEICKART: Mr. Chairman, first of
4 all, to get things on the record here, I'd like to move
5 adoption of the order instituting rulemaking.

6 CHAIRMAN IMBRECHT: So moved, do I hear a second?

7 COMMISSIONER CROWLEY: Second.

8 CHAIRMAN IMBRECHT: Seconded by Commissioner
9 Crowley, it's properly before us.

10 COMMISSIONER SCHWEICKART: The background on this
11 is that we have for quite some time been looking at this
12 issue of wind reporting. There have been quite a number of
13 staff workshops on the matter, draft proposals have been
14 debated between the staff and industry over the period of
15 the last, what, five months, six months, Gary? Something
16 like that.

17 So that there is considerable background here.
18 The Committee decided about three months ago, I believe,
19 that we would move toward a rulemaking to consider mandatory
20 -- a mandatory requirement for reporting on wind performance,
21 rather than going with a purely voluntary reporting scheme.

22 This came in part out of the workshops that were
23 held by the staff, in part from internal Commission
24 discussions, and in part in discussions between myself and
25 perhaps Commissioner Crowley, I'm not certain of that, and

1 members of the wind industry.

2 As a result, this OIR reflects that intention on
3 the part of the Committee to consider mandatory reporting
4 of wind energy performance, or wind system performance
5 without, I may add, a presumption, or any conclusion at the
6 outset that in fact we will enact such a requirement. That
7 would come out in hearings, clearly.

8 I don't believe that there is any great contro-
9 versy on this, and I would propose to you that we simply
10 call for any comment from public who may be here on the
11 item. I don't know of any and any comment staff may wish
12 to make.

13 CHAIRMAN IMBRECHT: Fine. First let's take
14 staff response.

15 MR. FAY: Yes, thank you, Mr. Chairman. If I
16 could just comment that the notice in the agenda is broader
17 than the OIH is because it was decided by the Committee to
18 drop out a tie-in to the tax credit so that the OIH itself
19 authorizes mandatory reporting, but not mandatory reporting
20 as a condition of receiving the tax credit.

21 CHAIRMAN IMBRECHT: Not mandatory reporting as a
22 condition of receiving the tax credit. Does it hold out
23 the prospect, however, of proposing eligibility requirements
24 for the tax credit beyond those which exist today?

25 COMMISSIONER SCHWEICKART: No.

1 CHAIRMAN IMBRECHT: That would not be contemplated
2 in the rulemaking?

3 COMMISSIONER SCHWEICKART: No, sir. The -- it is
4 clear that the fundamental concern here is one of assuring
5 that the tax credits paid by the taxpayers to these new
6 systems be effectively dispersed. Nevertheless, the
7 precondition of reporting for paying of the tax credit,
8 in fact, is not an appropriate mechanism after consideration
9 for providing such assurance of the major dilemma being
10 that the performance of systems and of wind farms is clearly
11 not available until well after the receipt of the tax
12 credits which come at the outset and on the implementation
13 of the systems, but not after performance is known.

14 Therefore, we decided to drop any such pre-
15 requirement for tax credits, while nevertheless maintaining
16 sanctions within the general authority of the Warren-
17 Alquist Act to the Commission so that the reporting effect
18 would have the same effectiveness, let me say, in terms of
19 advising of the financial community, potential investors,
20 and others, including the IRS, and perhaps Department of
21 Corporations here in California.

22 But in terms of effectively precluding the
23 issuance of tax credits, it could have no real force and
24 effect since all of the reporting would be after the receipt
25 of such credits, and the state, I should remind the

1 Commissioners, unlike the IRS, or the federal government,
2 has no recapture capability currently at least.

3 CHAIRMAN IMBRECHT: Okay. That's a good
4 explanation although I thought that we were at least
5 contemplating some performance criteria for eligibility,
6 and it seems to me that there may be as a body of material
7 develops, sufficient information to establish something of
8 that nature.

9 COMMISSIONER SCHWEICKART: Yes. Early on we
10 separated out --

11 CHAIRMAN IMBRECHT: That's what I recalled.

12 COMMISSIONER SCHWEICKART: -- performance criteria
13 as a condition for tax credit. The -- it is not at all
14 clear that there is a well enough understood -- that the
15 technology is well enough understood to establish any
16 such performance criteria.

17 In addition, a performance criteria for capturing
18 -- for eligibility for tax credit would once again
19 necessitate a fundamental change in the tax credit laws
20 per se, since again the tax credits are issued on
21 installation and I don't know the technical language, but
22 essentially when the wind system is ready to be connected
23 and produce energy, the tax credits are then issued.

24 So that would literally occur before there was
25 any performance record, and therefore, the only way in

1 which performance could be integrated with the tax credits,
2 would be, in fact, for a fundamental change in the tax
3 credit laws themselves, and I would suggest that by the
4 time that were done, the tax credits would have expired.

5 So that we felt fairly early on that a requirement
6 to report performance was, one, implementable on a much more
7 timely basis and would serve, if you will, to inform the
8 marketplace of investors and others where there were clear
9 abuses in a more timely fashion.

10 CHAIRMAN IMBRECHT: Thank you. Is there any --
11 I'm sorry, Commissioner Commons?

12 COMMISSIONER COMMONS: Yeah. Mr. Chairman, I
13 support the order, and I also concur with your statements
14 that we should be looking towards performance criteria,
15 although I accept this as a first step in that direction.

16 CHAIRMAN IMBRECHT: Yeah, one thing that occurs
17 to me is we obviously, as we've learned from other
18 proceedings, can amend an OIH in the course of the proceeding
19 if it becomes evident that there are other options that
20 should be considered.

21 All of that notwithstanding, I just would say
22 that a lot of conversations I've had with officers of the
23 leading industry associations have been recommending just
24 this type of action, or some response to a problem that I
25 think is recognized within the industry itself.

1 Moreover, in recent discussions with those
2 responsible within some of the major utilities for
3 alternative energy programs, it has become apparent, at
4 least from their perspective today, that some pretty hard
5 conclusions can be drawn as to the relative efficiency of
6 various wind machines, and which of them are indeed cost-
7 effective, and even cost-effective without the support of
8 tax credits.

9 Some interesting new conclusions that I heard
10 just recently. So in any case, I think that we may have
11 the ability to draw some of those conclusions a little
12 earlier perhaps than we might have expected, but we can
13 deal with that as this matter progresses. Commissioner
14 Commons?

15 COMMISSIONER COMMONS: I have talked with some
16 members of the Legislature and the industry, and where you
17 have major financing coming through large institutions, it
18 is also my feeling that if we don't take this initial step
19 first that we could send waves through the industry and
20 essentially halt the development, in I'm sure 95 to 99
21 percent, or a very high percentage of those wind farms
22 being developed would meet a standard that we would adopt
23 at some subsequent date.

24 So I think that on the one hand, it's important
25 for us as responsible -- the Commission to see that there's

1 performance data, the other time when we have to be
2 cautious that we don't stop the development of this
3 industry that's pushing forward.

4 CHAIRMAN IMBRECHT: Okay, thank you. Is there
5 any member of the public that wishes to address the
6 Commission on this issue?

7 Okay, the motion is properly before us.
8 Commissioner Gandara?

9 COMMISSIONER GANDARA: I still might make a
10 comment. I will be supporting the motion because I do
11 believe that this is an area that is deserving of further
12 investigation. I do hope, as was mentioned earlier, about
13 the time I came in, and I apologize if anything was said
14 that I might be repeating, but I do hope that the Committee
15 will be looking at slightly broader issues than just
16 disclosure.

17 I frankly will be looking fairly closely at -- in
18 whatever proposed regulations would come back before us,
19 because my feelings are a little bit different than what
20 I've heard expressed thus far. I think that if there is a
21 problem here as a result of some nonperformance, or
22 possible fraud because of inducements, it may be because
23 the tax credit is perhaps not needed, or may be too high.

24 Because of my experience in the regulatory area,
25 not in energy but in some other areas of substantial

1 economic investment, oftentimes what you have is a problem,
2 and you try and solve that problem by coming up with another
3 regulatory scheme, and I can see this leading -- moving
4 from disclosure to some performance criteria, and therefore
5 you're already dealing with -- you know, benefiting some
6 machines versus other machines, and so forth.

7 While all that may be well and fine, it does seem
8 to me that the fundamental problem in fact lies in the tax
9 credit itself. So that I do support the motion, because I
10 do think that something out to be looked into, but I would
11 hope that one of the things that the Committee would look
12 at is whether, in fact, there ought to be a recommendation,
13 or if varying the tax credit by technology, perhaps at that
14 point where, in fact, it is enough of a spur for the
15 industry but not so much that it would lead to the kinds of
16 problems that we're having here, or perhaps it is not needed
17 at all.

18 I think that's a real, more fundamental issue
19 that needs to be addressed. Well, I think that's all I
20 need to say on the matter.

21 CHAIRMAN IMBRECHT: Okay.

22 COMMISSIONER SCHWEICKART: Let me say, we assure,
23 Commissioners, that the Committee will take those well taken
24 comments under advisement.

25 CHAIRMAN IMBRECHT: All right, fine. The motion

1 was properly seconded. Is there objection to a unanimous
2 roll call? Hearing none, ayes 5, noes none, the order is
3 adopted.

4 The second item before us -- and let me see -- let
5 me just make one procedural announcement. Item 3 will be
6 taken up as the first item after our luncheon recess at
7 the request of the parties involved.

8 COMMISSIONER COMMONS: Chuck, I have a slight
9 procedural question.

10 CHAIRMAN IMBRECHT: Yes?

11 COMMISSIONER COMMONS: Could you identify which
12 items are going to be done on the 20th?

13 CHAIRMAN IMBRECHT: They will simply be,
14 undoubtedly, those towards the end of the agenda. We will
15 try to move through the agenda today and cover as many items
16 as possible. I'm sorry, excuse me, Items 6 and 11, I can
17 identify for you, we have -- this causes a little problem.

18 My notes here indicate that we have agreed to
19 hear them around 3:00 o'clock on June 20th. Mr. Ward,
20 by virtue of what you discussed with me before the meeting,
21 I'd suggest you find out when would be an appropriate time
22 to hear those.

23 EXECUTIVE DIRECTOR WARD: Item No. 11 can be
24 heard earlier tomorrow, and I'll check on the Item No. 16.

25 CHAIRMAN IMBRECHT: All right, fine. Maybe you

1 can advise us a little later. At this point, those are
2 the only commitments that I'm told we have made to the
3 parties.

4 COMMISSIONER GANDARA: I'm a little bit confused.
5 I had been led to believe that there was an expectation
6 that the business meeting would be over tomorrow at noon.

7 CHAIRMAN IMBRECHT: That's the reason that I
8 just expressed some question myself about --

9 COMMISSIONER GANDARA: Did you say 3:00 o'clock
10 the 20th?

11 CHAIRMAN IMBRECHT: What I was just saying, I
12 was expressing some question myself, since I was aware that
13 we were going to try to finish tomorrow around noon, and
14 I have a note here that says that someone had agreed on
15 our behalf to hear those items at 3:00 o'clock. Obviously,
16 that's not going to work.

17 COMMISSIONER SCHWEICKART: There was action taken
18 on this yesterday to see if Mr. Klepper could be here
19 before that time, and I'd like to know if we got an answer
20 yet, that's the question.

21 EXECUTIVE DIRECTOR WARD: My understanding is
22 that he can.

23 COMMISSIONER SCHWEICKART: He can be here
24 earlier?

25 EXECUTIVE DIRECTOR WARD: Yes.

1 COMMISSIONER SCHWEICKART: Fine, so we have no
2 conflict.

3 CHAIRMAN IMBRECHT: So --

4 COMMISSIONER COMMONS: My understanding also is
5 that Item No. 10 would be done tomorrow.

6 CHAIRMAN IMBRECHT: I have not had any advice on
7 that, Commissioner Commons, from either your secretary or
8 from my office, and that's where we handle these matters.
9 Mr. Ward?

10 EXECUTIVE DIRECTOR WARD: There's been ongoing
11 discussions between the Committee and the petitioner on
12 this, and the last note I had is that it was moved to the
13 28th. We can --

14 CHAIRMAN IMBRECHT: Moved to the 28th?

15 EXECUTIVE DIRECTOR WARD: Yes.

16 CHAIRMAN IMBRECHT: Well, let me just suggest
17 this, we'll --

18 EXECUTIVE DIRECTOR WARD: That's inconsistent with
19 the Committee's perception and maybe we can --

20 CHAIRMAN IMBRECHT: Maybe we'll go with the
21 Committee's recommendation on that.

22 COMMISSIONER COMMONS: I think Southern California
23 Edison plans to be here tomorrow, but not today.

24 CHAIRMAN IMBRECHT: Well, if they're not here
25 today, we'll obviously hear the item tomorrow.

1 For the record, there is one additional item, and
2 that's the consideration and possible adoption of the
3 annual petroleum review which will be before us tomorrow
4 as well.

5 Okay. I think now that we've added a lot of
6 clarity to the agenda, let's move, or forge right ahead.
7 The second item before us, consideration and possible
8 acceptance of a petition for rulemaking filed by the
9 Mineral Insulation Manufacturers Association.

10 EXECUTIVE DIRECTOR WARD: My understanding, Mr.
11 Chairman is this -- we would move to Item No. 4. Item No.
12 2 has been pulled, Item No. 3 as you've already indicated
13 is scheduled for after lunch.

14 CHAIRMAN IMBRECHT: This afternoon, Item 2 has
15 been pulled?

16 EXECUTIVE DIRECTOR WARD: Yes.

17 CHAIRMAN IMBRECHT: By the petitioner?

18 EXECUTIVE DIRECTOR WARD: I'm not aware of --

19 COMMISSIONER SCHWEICKART: That's my understanding.

20 MR. PEREZ: Chairman Imbrecht, on behalf of the
21 petitioner, I will verify that they have withdrawn the
22 petition, and will refile sometime unspecified.

23 CHAIRMAN IMBRECHT: All right.

24 (Agenda Item No. 4, Under Separate Cover.)

25 (Luncheon recess.)

AFTERNOON SESSION

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CHAIRMAN IMBRECHT: We'll reconvene the meeting.
(Agenda Items 4 and 5 under separate cover.)

CHAIRMAN IMBRECHT: Okay. Item No. 3, Commission
consideration of staff and public comment on a revised
staff report entitled, "Energy Savings Potential in
California's Existing Office and Retail Buildings." Mr.
Ward?

EXECUTIVE DIRECTOR WARD: Yes, Mr. Chairman, this
item is scheduled before you based upon an agreement reached
last fall with --

CHAIRMAN IMBRECHT: Excuse me. Will everyone
please take their conversations outside. We still have a
very long agenda ahead of us. Thank you.

EXECUTIVE DIRECTOR WARD: This item is the result
-- or before you today is the result of an agreement
reached between your former adviser Mr. Ramirez,
Commissioner Schweickart's former adviser, Mr. Ellison, who
in discussions with a segment of the industry affected by
a staff report and who have registered objections to
elements of that staff report which dealt with energy
saving potential in California existing office and retail
buildings.

We have responded to those objections. There has

1 been a substantial re-analysis. I might also add, and
2 Commissioner Schweickart may want to respond as well, that
3 bringing a staff report before the Commission is somewhat
4 unique, and in this case is simply by virtue of the action
5 that I referred to last fall, the agreement reached last
6 fall, and Dan Nix from the Assessments Division who has
7 participated I think very significantly in this process
8 from beginning to the present can give you a general
9 summary and chronological history of what's occurred, as
10 well as the staff position.

11 MR. NIX: For the record, my name is Daniel Nix.
12 I'd first like to restate the context of the work since
13 that's been raised and questioned recently. It is as the
14 title of the report says, an estimate of the energy
15 savings potential in California existing office and retail
16 buildings. It is not and never was intended to be a
17 consumer's guide to energy conservation measures.

18 It was done as an element of Biennial Report IV,
19 as a contribution to the staff's estimate of additionally
20 achievable conservation. The staff's approach was to define
21 what we call typical conditions, to define typical measures,
22 to apply those measures in a fashion based on our estimate
23 of incremental cost-effectiveness, that is, to apply the
24 measure first, which generated the most energy savings, and
25 so on through a cascading approach.

1 In the course of this work, we were careful to
2 coordinate and use appropriate demand forecast assumptions
3 so that we could evaluate the degree to which the conser-
4 vation potential we had identified was already incorporated
5 in the Commission's demand forecast, hence, it becomes
6 part of additionally achievable, and does not duplicate
7 or overlap.

8 A brief history of the events was the release
9 of the report in July of 1983, objections raised in
10 August of 1983, the adoption, or at least the negotiation
11 of a resolution procedure to which Mr. Ward referred to
12 in September of 1983. A voluntary restraint of distribution
13 of the report, pending what we expected at that time to be
14 a relatively short resolution.

15 We were requested by the objectors to review
16 actual test data from a New York State RDA, Department of
17 Energy, joint sponsored case study, and to also carefully
18 evaluate the data that had been submitted to the Commission's
19 nonresidential building standards docket.

20 It was alleged that we were in conflict with that
21 data, that information in that docket conclusively showed
22 the effectiveness of personnel sensors, and hence, our
23 analysis was incorrect.

24 We prepared a written response to the criticisms
25 that we had received on the report. We also responded in

1 writing, gave our comments on the appropriateness, and
2 pertinence of the New York State case studies. We also
3 responded in writing to the information in the docket
4 file. That material was conveyed to the individuals that
5 had complained about the analysis. We have not yet
6 received a response to that.

7 Lacking a response, we undertook to revise the
8 document, and you have all received copies with the brown
9 cover of the revised staff document. The present status
10 is that it has been revised, portions have been changed
11 based on the information from the New York experience.

12 It also prompted a rather extensive re-evaluation
13 of personnel sensors, the re-evaluation findings have been
14 incorporated in the document, and we have re-evaluated the
15 analysis based on occupancy and lighting schedule developed
16 by the Conservation Division's professional and technical
17 advisory group consensus estimates, which were developed
18 in the course of the nonresidential building standards
19 proceedings.

20 Given that re-analysis, personnel sensors, we
21 believe, in the document do appear in a more favorable
22 light. However, given the conditions that we used for
23 the analysis, we do not find it to be cost-effective given,
24 as we defined there, a consumer perspective, to increase
25 and their effectiveness under some conditions from a utility

1 perspective, and for that reason, we want to reinforce the
2 statements in the original document that they should be an
3 integral part of utility audit programs. That we looked at
4 a narrow application, that is application to retrofit
5 offices, utility auditors as the report states in both the
6 original and the revised version can find, indeed, cost-
7 effective applications.

8 I think the next item would be for Paul Gertner
9 to briefly summarize the differences in some of the
10 assumptions so that you can understand the origin of the
11 objections.

12 MR. GERTNER: Thanks, Dan. We have a few
13 overheads that we'll look at. I have some extra hard
14 copies here if anybody would like one.

15 As Dan mentioned, we did a re-analysis of
16 personnel sensors. This entailed gathering more data, and
17 based on that additional data, and also looking back at
18 our methodology to make sure that we were consistent in
19 our treatment of personnel sensors with other conservation
20 measures, based on those two activities, we changed several
21 of the key variables used in the analysis of personnel
22 sensor cost-effectiveness.

23 We changed the square foot of a typical coverage
24 of a personnel sensor from 110 square feet to a range of
25 110 to 150. The power density we changed using 1.3 to 1.6.

1 We changed the fraction of lighting energy saved, we
2 increased that from 24 to 34 percent, we included the
3 HVAC savings, and we increased the cost per device by \$20.

4 Next slide. In the re-analysis and in the
5 revised report, we now have a range, we use a low savings
6 case and a high savings case, and the low savings case is
7 a lower percentage savings of smaller square footage of
8 office, and more of other types of conservation measures
9 installed prior to personnel sensors.

10 The analysis that we've done has two measures,
11 one is the payback period, and in the re-analysis we now
12 have a payback period of from 7.7 years to 16.5 years which
13 is above the three year criterion that is typically used
14 for these types of measures and which we have adopted as
15 our criterion in the report.

16 COMMISSIONER COMMONS: Excuse me, Paul. Is the
17 low cost, the low one, the low payback the retrofit and --

18 MR. GERTNER: They're both retrofits.

19 COMMISSIONER COMMONS: Both retrofit, okay.

20 MR. GERTNER: What happened is we've had a lot
21 of question and controversy over what is typical, and in
22 the original report, we just said that 110 square feet,
23 as an example, is a typical office size, and then in
24 doing a little bit more research, we decided that it was
25 more fair to characterize it as between 110 and 150 square

1 feet given the amount of uncertainty, and the same with the
2 other variables where we've used a range.

3 Then on the benefit/cost ratio, the criterion is
4 that it has to have over a 1.0 benefit/cost ratio to be
5 cost-effective, and we found that under the low savings
6 case it was not, and under the high savings case, it is.
7 I think that our interpretation is that given the amount
8 of information that we have as to what is typical, it's
9 really not possible to say that they are, or that they are
10 not cost-effective.

11 They are on the borderline of cost-effectiveness.
12 One more slide. We just did a comparative analysis showing
13 -- illustrating how our calculation differs from the
14 Novitas payback calculation that was submitted to the
15 Energy Commission docket in a 1982 proceeding.

16 Looking at our high case and comparing it to
17 Novitas, we use the same amount of square feet per device,
18 or per office. Novitas assumed a somewhat higher amount
19 of wattage controlled by the device, approximately 16
20 percent more annual hours of operation, so that results in
21 their having a higher kwh consumption.

22 We use the same cost per kilowatt-hour, and we
23 go down to percentage of savings, and they use a percent of
24 savings of about one-third more than us. We used the same
25 installed cost, and we get down to having a payback period

1 of about twice the amount that Novitas showed.

2 I think it's interesting if you look at our
3 variables versus theirs, the differences of the individual
4 variables are not that great, but the effect is kind of a
5 cumulative effect where we end up with a substantial
6 difference in the payback period.

7 However, even in the Novitas case, the payback
8 is over three years, which again is our criteria for
9 establishing cost-effectiveness, that it should be under
10 three years from the consumer perspective.

11 MR. NIX: I think I'd want to emphasize that
12 point, as Paul stated, you can't -- we're not dealing with
13 a device or a situation where you can state unequivocally --
14 I can't even speak -- with absolute certainty that it is
15 or is not cost-effective.

16 We are concerned that perhaps individuals may
17 interpret this as a consumers guide, that's why in the
18 revised document we did have a preface to the report which
19 re-emphasizes the original purpose, recommends careful
20 consideration of use of all conservation measures, but yet
21 we have no evidence submitted to us that would warrant a
22 change in the original report's findings regarding
23 energy conservation potential numbers.

24 I believe that summarizes the point we're at
25 today.

1 CHAIRMAN IMBRECHT: Commissioner Schweickart?

2 COMMISSIONER SCHWEICKART: Yes, Mr. Chairman. In
3 order to provide some focus for the Commission here, and
4 any subsequent comment, I would like to place a motion on
5 the floor, and in doing so, I would like to introduce it
6 with just a few comments, since for whatever reason, my
7 former adviser took some responsibility in attempting to
8 bring about a process which would bring this to a rational
9 conclusion.

10 He's now left, and I think his effort has failed
11 in some sense. Nevertheless, I'm tied up in it. I would
12 suggest that we are locked, have been locked here in a
13 ridiculous process brought about by an error in judgment
14 on the part of the Commission at the outset to intervene in
15 the issuance and release of a staff report, not a Commission
16 report or analysis, but a staff document.

17 I believe that the Commission should learn from
18 this sad experience that if its staff produces documents and
19 analyses which are so flawed as to be embarrassing to the
20 Commission or to the State of California, that those staff
21 members should be held accountable, and should be fired.
22 That is the recourse for inadequate, or erroneous,
23 consistently poor performance on the part of our staff, or
24 any other governmental staff, any other civil servants.

25 On the other hand, that the staff of the Energy

1 Commission has a very high level of performance, a very
2 commendable record of analysis and integrity and performance,
3 and I believe that the staff should, and in the past has
4 acted with great integrity in its analyses and reports.

5 I recognize that the general public has a
6 difficult time as distinguishing between the Energy
7 Commission as a body headed by five Commissioners, and the
8 Energy Commission staff who are analysts, among other things,
9 and perform analyses and issues reports for the edification
10 not only of the public, but of the Commission, and that
11 their reports do not imply endorsement by the Commission.

12 I say again, I recognize the difficulty of the
13 public in distinguishing that. Nevertheless, that is the
14 case. Here we have been locked in a ridiculous process
15 whereby we have slipped across the boundary in accepting
16 the idea that if the staff were to release this report,
17 that it is the Commission who is endorsing it, and on that
18 basis, we have intervened, and we've gone through a process
19 of six or eight months of -- I have no idea, Dan, whether
20 you have an estimate, but I would say dozens if not 100
21 person hours in what I would consider to be tweaking of an
22 excellent report which should have been released long ago.

23 There is no question that the report is better
24 than it was, and there also is no question that the report
25 now could still be made better. The issue is on what basis

1 should the Commission in any case ever intervene in the
2 staff with an assignment duly given by whatever authority,
3 publishing and releasing a report for distribution.

4 Now, as I say, at this point, there's no question
5 that the report is better, that's not the issue. But there
6 will always be in an instance of this kind, that marginal
7 technology, measure or whatever, which falls below
8 whatever criteria is set in any kind of a report or
9 analysis.

10 There will always be that next technology, and
11 I would suggest that we made a mistake in the first place,
12 and that by proceeding any further in holding this report
13 up, we would be compounding that dramatic error. I there-
14 fore move that the Commission direct the Executive Director
15 to publish and distribute the subject report as currently
16 revised in a manner consistent with other staff documents
17 and analyses.

18 COMMISSIONER COMMONS: I'll second the motion
19 for purposes of discussion.

20 CHAIRMAN IMBRECHT: Seconded by Commissioner
21 Commons, Commissioner Schweickart's motion. Let me ask,
22 Commissioner Schweickart, does your motion contemplate an
23 appropriate disclaimer in the cover page of the document
24 indicating that it is a staff document which has not been --

25 COMMISSIONER SCHWEICKART: Yes.

1 CHAIRMAN IMBRECHT: I've seen such a disclaimer
2 in other documents, I do not see it in this one.

3 COMMISSIONER SCHWEICKART: Yes. In fact, I
4 believe that there should be always a disclaimer for any
5 staff document which has not -- which either does not or
6 is not required to come to the Commission for acceptance
7 or endorsement, that there should always be a disclaimer
8 that this in no way indicates, or whatever. There is a
9 standard disclaimer language, and I believe it should be
10 included.

11 CHAIRMAN IMBRECHT: Yeah, I've seen it in a
12 number of reports. The reason I raise that is as I look
13 at the title page, it says, this was prepared by the
14 California Energy Commission, period, and then subsequently
15 Technology Assessments Project Office. But I can --

16 COMMISSIONER SCHWEICKART: I believe that it
17 should be amended to that --

18 CHAIRMAN IMBRECHT: But I can see how someone
19 would easily conclude that that is indeed a Commission
20 document as a consequence, as opposed to staff.

21 COMMISSIONER SCHWEICKART: Let me also say that
22 the inclusion of that disclaimer will only very, very
23 slightly change the debate.

24 CHAIRMAN IMBRECHT: Commissioner Commons?

25 COMMISSIONER COMMONS: Rusty, the way you posed

1 your motion, it says if we're directing the Executive
2 Director to have the report published as if he did not
3 want to --

4 CHAIRMAN IMBRECHT: No, no.

5 COMMISSIONER SCHWEICKART: No. I am saying
6 handle it the way you handle any staff report.

7 COMMISSIONER COMMONS: Okay, that's -- the exact
8 words you used didn't come across that way to me.

9 COMMISSIONER SCHWEICKART: In a manner consistent
10 with other staff documents and analyses, I don't know how
11 I could make that more clear.

12 COMMISSIONER COMMONS: Well, I thought you said
13 to first publish the report, and then you had a separate
14 thing.

15 COMMISSIONER SCHWEICKART: It should be published
16 and distributed consistent with other staff documents and
17 analyses, whatever that may be in terms of staff analysis
18 and document, this report should now, in its current
19 revised form, be so handled.

20 CHAIRMAN IMBRECHT: The consistency would include
21 the appropriate disclaimer as we have all seen in many of
22 our other staff reports. Commissioner Gandara?

23 COMMISSIONER GANDARA: Yes. I have difficulties
24 with the motion, although I don't think with the intent.
25 I read this report when it first came out. I thought then,

1 and I still think it's an excellent report. I think the
2 major policy imports of it has been lost as a result of
3 everything we've gone through, and that is that there is
4 significant potential for energy conservation through
5 retrofit in commercial buildings, in nonresidential buildings.
6 That is the major thrust of this report.

7 Now, whether anything minor here, you know, can
8 be agreed with, or disagreed with, that's another point.
9 But as a whole, I thought that the report, that statement
10 -- made an excellent statement that frankly, we ought to
11 follow up in terms of policy. Given that great potential
12 of conservation, what are we doing to achieve that
13 conservation through the retrofit of the nonresidential
14 area.

15 We have considerable effort in the new construction,
16 but I'm not quite so sure what our effort is in the
17 retrofit area. But be that as it may, the problem that I
18 do have with the way that the motion is framed is that
19 I have a problem with the idea that the Commission would
20 accept, would encourage the idea of staff reports that are
21 not accountable to the Commission.

22 I frankly don't believe there is any such
23 thing as a staff report, other than a report that is
24 prepared during the adjudicatory proceeding in a siting
25 case. I believe the Commission is responsible for everything

1 that goes out of this Commission, and that staff reports
2 ought to be prepared as staff reports when they are part
3 and parcel of something that a Committee, or some portion
4 of the Commission will be holding a hearing to in fact be
5 able to receive the kinds of comments that this staff --
6 that this report generated.

7 I would very much like to discourage this idea
8 that the staff is just free to go out there and publish
9 reports here and there on whatever issue they may want, and
10 I think it is our responsibility to in fact maintain a
11 level of quality control, and frankly, policy content.

12 I don't say that in any censorship way whatever,
13 I think that the staff ought to -- Commission ought to
14 indicate the areas its interested in, the report ought to
15 be developed, staff report, that staff report is the
16 subject, then, of a Commission hearing, or by a Committee,
17 or by the Commission as a whole, and that the eventual
18 document that is published is in fact a Commission document.

19 Now, I feel very strongly about that particular
20 part of it, that particular part of what I'm saying, because
21 I think other than that, we're going to run into a lot of
22 problems. We don't want to encourage this idea to the
23 outside world that there is a Commission that has to some
24 degree deniability from what its staff says. I think that
25 it ought to be part and parcel to the same thing.

1 So you know, I would, again, have no problem with
2 the report, I have no problem issuing the report. I think
3 from the purposes of the process that we've gone through,
4 we've invested enough time, effort, and Commission review
5 that frankly, it ought to be a Commission document, I have
6 no problems with that.

7 But I do have problems with a resolution, or a
8 motion that would encourage or suggest that there is this
9 division and almost license to go out and continue
10 producing reports. I have been troubled by the fact that
11 there have been reports under preparation that the
12 Commission has not been aware of.

13 That there have been reports that -- the Commission
14 notice, first notice of them have been after publication.
15 That, frankly, is not the way that we ought to operate
16 around here, and we ought to do everything that we can
17 to discourage that.

18 COMMISSIONER SCHWEICKART: Mr. Chairman, let me
19 respond just slightly to that.

20 CHAIRMAN IMBRECHT: Do so --

21 COMMISSIONER SCHWEICKART: I think that
22 Commissioner Gandara raises an interesting question. It's
23 not one which I believe fits in particular into this issue.
24 It fits into it in a tangential way, I would say, and that
25 is a general policy vis-a-vis staff documents and products.

1 I think Commissioner Gandara would be the first
2 to admit that there are quite literally over the past
3 several years, hundreds of reports which have been produced
4 by the staff, and do form staff documents, some of which
5 fall within formal proceedings of the Commission,
6 adjudicatory cases where the staff is a formal party, and
7 others that fall outside of that, including some very
8 historical documents, such as the Energy Service Company
9 concept and things of that kind.

10 I would not in any way oppose a Commission review
11 of a general policy here, or a general -- the general
12 case, the general policy of staff documents, and the
13 accountability to the Commission in terms of how this
14 should be handled in the future.

15 But I would suggest that this document does not
16 differ in kind from many, many dozens, if not hundreds
17 of staff documents and analyses which have been performed
18 and made available in the past, as California Energy
19 staff documents.

20 It is on that basis that I make the motion, and
21 am in no way proposing a precedent which encourages, or
22 for that matter discourages, either way, but suggests that
23 that is a separate issue which I would have no problem in
24 supporting.

25 CHAIRMAN IMBRECHT: Good. For whatever it's worth,

1 I generally share Commissioner Schweickart's viewpoint on
2 this, but I similarly share your concern about staff
3 reports, and I have had this concern since I arrived at
4 the Commission. I think we have to treat this one
5 consistently, but we do need to enunciate a criteria, and
6 I think basically that criteria should mean that staff
7 reports either occur at the request of the Commission, or
8 the Committee of jurisdiction, and that there should be
9 approval before preparation of a report is commenced, and
10 then subsequently the Committee should decide whether or
11 not this should be a report that's brought to the full
12 Commission for either ratification or adoption by the
13 Commission, or I can see some circumstances where it might
14 be appropriate to issue what is limited to be a staff
15 document.

16 There are some circumstances where the staff in
17 effect compiles data. The Energy Watch document, for an
18 example. I don't think we'd want to find ourselves in a
19 position of having to ratify or adopt every one of those
20 that comes up. But where there are conclusions drawn that
21 represent policy conclusions, then I very much adopt by
22 reference your comments.

23 Commissioner Commons?

24 COMMISSIONER COMMONS: Mr. Chairman, why don't
25 you delegate to your administrative committee to come up

1 with a policy for --

2 CHAIRMAN IMBRECHT: I'll get to that in due course.
3 Let's get this one resolved. All right. All that is now
4 on the table. A motion is properly before us. Staff,
5 Mr. Nix, do you have anything further to add?

6 MR. NIX: Well, no, but I believe that there are
7 members of the public that would like to --

8 CHAIRMAN IMBRECHT: Don't worry, I'm not about
9 to ignore members of the public, because that's how this
10 item is on the agenda, at their request.

11 MR. NIX: There is one other item, Mr. Chairman.
12 Commonly we do add a disclaimer, since I wrote one of the
13 disclaimers here at the Energy Commission, and I don't know
14 why it's not in this document, but it certainly will be in.

15 CHAIRMAN IMBRECHT: All right, fine. Let's
16 first ask Mr. Don Blackman representing the Insulation
17 Contractors Association of America, I believe. Mr. Blackman,
18 we've worn you out. Yes, sir, please come forward. Would
19 you care to testify?

20 MR. BLACKMAN: I am the Executive Director for
21 the Insulation Contractors Association of America for the
22 California/Nevada Chapter. Actually, when I signed the
23 card, I haven't been to a hearing before, I was merely
24 here as a listener. I really don't have any particular
25 comment to make on this issue.

1 CHAIRMAN IMBRECHT: All right, thank you very
2 much. Mr. Thomas Dwyer representing Linear Corporation, and
3 I believe also, Colorado Electro-Optics.

4 MR. DWYER: Thank you. Commissioners, excuse me
5 if I'm a little bit new to the procedures around here. If
6 I get something wrong, go ahead and ask me a question if
7 I'm not clear on something.

8 Again, my name is Tom Dwyer and I'm with a
9 company located in Boulder, Colorado, called Colorado
10 Electro-Optics. We're a part of the Linear Corporation of
11 Inglewood, California, and we make personnel sensors, in
12 our case, passive infrared sensors, which of course are the
13 subject of this debate today.

14 Let me first say that I appreciate the opportunity
15 to speak before the Commission, and especially since I
16 understand somebody at the Commission had changed the
17 schedule over to the afternoon so I could fly out here
18 today and have a chance to say something, so I appreciate
19 that much.

20 The reason I'm here is that we at Linear feel
21 that the staff report, and I think this is basically the
22 bottom line for us, is the staff report, which is the
23 subject of this hearing, is potentially damaging to our
24 market share in the field of energy conservation through
25 lighting control, and damaging not just to our company, but

1 to other companies in the same -- some of our -- well,
2 our competitors, and otherwise, people who might otherwise
3 profit from what we feel is a very legitimate and effective
4 means of energy saving.

5 The report is possibly injurious because it
6 states erroneously that occupancy or personnel sensors have
7 a payback period of up to 10 years. Now, among other
8 portions of the text, I don't want to bore everybody with
9 different portions of the text, but I'm going to just for
10 the record refer to different, some of the portions that
11 I'm particularly referring to.

12 I'm referring to graphs and charts that would
13 show up on pages 51 and 52 under the chart entitled,
14 "Actual Payback Utility Service Area", and at page 55, at
15 least in the version I have, page 55 in a graph designated
16 as Figure III-3 entitled "Comparison of Market Penetration
17 and Expected Payback Periods"; and finally, to a chart on
18 page C-21 referred to as Table C-16, and entitled "Payback
19 Period of Personnel Sensors - With Delamping, With and
20 Without Electric Ballasts".

21 Now, the reason for the erroneous payback
22 estimate, or estimates is simple, and that is that the
23 staff report authors have assumed a 1.6 or 1.3 watt per
24 square foot lighting level. This, of course, is based on
25 the assumption that delamping should always be done first,

1 and I refer you to, if not the actual report, to the
2 re-evaluation of personnel sensors on page 19 dated
3 December '83.

4 The problem is that this assumption does not
5 really reflect the reality of the situation that many users
6 in fact do not operate minimum lighting levels, and many
7 do not operate at minimum lighting levels, and that many
8 of these have no desire to delamp in order to obtain
9 any minimum lighting levels.

10 Our contention quite simply is that it is not
11 standard practice, it's not standard practice for an end-
12 user to delamp before utilizing personnel or occupancy
13 sensor, and after concluding this statement, in fact, I
14 intend to submit a list of end-users for the permanent
15 record, a list of names of end-users who in fact have
16 installed sensors without necessarily having delamped before
17 doing so, and this list, for the record, can be referred to
18 as Attachment A which I'll submit to somebody after I'm done.

19 In fact, I will present even two -- the name of
20 two suppliers of ours who would testify, if asked to do so,
21 that many of their customers, in fact, make it a practice
22 to install personnel sensors first, and only use delamping
23 measures if necessary afterward. So this is not something,
24 we think, is a very reasonable assumption, and that list,
25 by the way, can be referred to as Attachment B, which I'll

1 show later.

2 Before concluding my brief statement here, I just
3 want to make a couple of other additional comments. The
4 fact that the staff's assumptions are clearly stated
5 throughout their report matters little if those assumptions
6 are not warranted to begin with.

7 Secondly, it is true that there have been a
8 number of revisions by the staff regarding personnel
9 sensors. However, these revisions are hardly adequate,
10 and the reason that the revisions are not adequate is
11 that they may, in fact, tell us what the staff thinks about
12 the energy saving potential of personnel sensors.

13 They may tell us that, but what about -- the
14 question that we have is what about the average reader of
15 this as you were alluding to in some of your issues before
16 we got onto this. What about the issue of what the
17 average reader is going to think who is not as well
18 acquainted, maybe, with the staff's finding as the staff is.

19 We are concerned, I think, to a great degree
20 about what the reader is going to think. He, I believe,
21 will still come away with this, from this report, with a
22 very unnecessary and negative impression about personnel
23 sensors because of the weight that is attached to the
24 graphs and to the charts, which still show a high payback
25 period, even though at the bottom, they may say something

1 to the effect, you know, this is only after delamping.
2 The fact is, those charts and graphs are still there,
3 they're still going to make the same effect, or have the
4 same effect.

5 In fact, neither will the staff's statement in
6 the -- as I think stated in the re-analysis of personnel
7 sensors, that the report should not be read as a condemnation
8 of any particular product, do very much to mitigate the
9 negative impression that this report makes regarding
10 personnel sensors.

11 So in conclusion, we at Colorado Electro-Optics
12 and the Linear Corporation, implore the Commission to
13 look with a very discriminating eye at the estimated
14 payback periods for personnel sensors as they are stated in
15 the staff report.

16 We ask that the payback periods instead be judged
17 fairly and independently, and certainly not under an
18 assumption of prior delamping which is not supported by
19 experience, either inside California or outside the State
20 of California.

21 Having concluded, I'm going to submit these
22 lists as exhibits, and I also request that the exhibits
23 not be read into evidence, and that they be used only as
24 reference for the Commission only, and I don't have copies
25 of them.

1 CHAIRMAN IMBRECHT: We'll accept them as part of
2 our docket, if you'd submit them, they'll be included in
3 the record.

4 MR. DWYER: That's all I have to say unless
5 there's any --

6 CHAIRMAN IMBRECHT: I want to thank you for a
7 succinct and well presented testimony.

8 MR. DWYER: Thank you very much.

9 CHAIRMAN IMBRECHT: Thank you. Are there
10 questions for Mr. Dwyer? Okay, thank you very much.
11 Mr. Harold Lipchik, maybe you can help me with the
12 pronounciation, representing National Technical Systems.

13 MR. LIPCHIK: Thank you. Because of some of the
14 earlier discussion, I would like to make some introductory
15 remarks before getting to what would become my portion of
16 this. I would have to suggest to the Commission that like
17 it or not, the perception in the public of anything that
18 emanates from either staff or Commission is that it is
19 emanating from the Commission, and in fact, you will find
20 in the press that that's the way reports of this nature
21 are referred to.

22 All the disclaimers in the world do not change
23 the perception of the public, except maybe legally, but not
24 in actual perception.

25 Secondly, because this is basically a government

1 agency, and because the staff is a government staff, it is
2 incumbent even more so than on what might be a private
3 organization, that the staff -- well, I should say be not
4 holier than thou, but it be much more careful to be not
5 subject to criticism for unverifiable data, or for being --
6 where prejudice is strong, I don't mean it that way, but
7 that's the word that comes to mind.

8 It is incumbent that it be much more fair, much
9 more discriminating in the remarks it makes. Again, like
10 it or not, the report, while it was not intended, and
11 was intended to show that there are great potential energy
12 savings in this state, and it's true, has created a
13 perception, not only among our industry, but among the
14 public that it is a comparison of approaches towards
15 energy saving. Whether or not it was intended, that is now
16 the perception that has been given in the public's eye.

17 Now, one other point is that in the Commission's
18 discussion of whether the report could be improved, or not,
19 and we're talking of minor improvements, our contention is
20 not that we want to debate or argue over some of the hard
21 scientific data in this report, but that we suggest it is
22 flawed, and serious flawed, because three major assumptions,
23 in our opinion, are erroneous because they were based on
24 opinion and not on hard data.

25 As we all know, that any time -- any report will

1 be skewed in the direction of assumptions no matter how
2 much good scientific data follows it, if the assumptions
3 are incorrect, or skewed in one direction, the results
4 will always be skewed in that direction.

5 Now, the first assumption that I'd like to speak
6 to is one -- I don't know if I'm getting the right statement,
7 but it says that any reasonably logical person in approaching
8 energy saving, would engage in delamping first. On that
9 basis, any other approach is measured after the savings
10 from delamping.

11 Now, that is an assumption which may or may not
12 be correct, but it is not based on actual survey. I would
13 suggest that such a conclusion must be substantiated by
14 hard evidence, not just a process of logical conclusion
15 on the part of an engineering group, because as other
16 people have said, and probably will say, the actual event
17 in the field is not necessarily going to be first delamping.

18 Second, and to us, much more serious, is the
19 assumption that the use of lights at night is not an
20 important factor in the equation, because there aren't
21 too many lights left on at night.

22 Besides all of our own personal observations of
23 lights blazing in many office buildings at night, I would
24 commend to the Commission and its staff a study that was
25 conducted by Lawrence Berkeley Laboratory of the University

1 of California, and presented in an article in several
2 magazines.

3 In this study, a portion of a building was
4 measured for energy consumption, and then was delamped to
5 establish a new baseline. After that, a control system
6 was established to turn the lights off on a timed basis
7 and to require them to be turned on only if someone called
8 in needing the lights.

9 The delamping effort resulted in a 25 percent
10 saving in the study, and yet the savings after the delamping
11 due to controlling the area, and I must say that occupancy
12 sensors operate in this manner, only even more efficiently,
13 because they do not turn off the lights based on a programmed
14 timer, they turn off lights based on lack of occupancy of
15 the room.

16 Those savings were shown to be 60 percent beyond
17 the 25 percent from the original delamping effort. Now, I
18 have heard that that study was looked at, and comments made
19 that is not a typical condition. It may not be. It may
20 very well not have been, but the question we would ask,
21 then, is what is typical because there has not been
22 established as a baseline any typical situation.

23 The so-called typical situation of lights not
24 being on at night is not based on hard data which is easy
25 to come by, but based on, again, opinion.

1 Now, lastly, our concern has to do with the
2 basis that the staff used for evaluating the payback costs
3 on the price of occupancy sensors. While it is true, they
4 used the \$150 installed cost, by the way, and while it is
5 true that there are probably some equipment costing that
6 much, it is also true that there is equipment, and has
7 been equipment on the market costing considerably less
8 than \$100 installed.

9 Now any one of these factors, and in fact all
10 three, if shown to be erroneous in their assumptions,
11 would have a major impact on the payback criteria, and
12 the payback studies shown in the report to the point where,
13 and I will say this is my opinion, the efficiency, and
14 superiority of occupancy sensors would be clearly shown.

15 Now, what I'm saying to you is that my opinion
16 should bear no more weight, or no less weight than the
17 opinions of the staff, but neither should the staff's
18 bear such weight that it can appear in a document that is
19 supported by the Commission.

20 When it is possible to obtain hard, scientific
21 evidence to support the assumptions, rather than base them
22 on opinions. So our appeal to you would be that rather
23 than publish a potentially flawed report which would not
24 serve the interests of energy conservation, because of the
25 impressions it leaves, the questions raised -- excuse me --

1 be investigated and at the very least, hard data replace
2 them in these studies so that the result can be a fair,
3 unskewed study truly serving the interests of energy
4 conservation.

5 If, in the alternate, the report is to be issued,
6 it should not be issued comparing just one technology of
7 energy saving with another, but either should leave out
8 that comparison, or should compare this and all other
9 technological approaches at one time so that you can get
10 a balanced report dealing with all areas, thank you very
11 much.

12 CHAIRMAN IMBRECHT: Thank you. Before you
13 depart, let me ask a question as to the first point that
14 you complained of, and that is the assumption that
15 delamping occurs first. If the staff report recommended
16 delamping as a first strategy based upon a superior cost/
17 benefit ratio to other alternatives, similarly enunciated,
18 but at the same time analyzed the impact of occupancy sensors
19 both with and without delamping, would that remedy the
20 flaws from your perspective?

21 MR. LIPCHIK: In general yes, but I would say --

22 CHAIRMAN IMBRECHT: I guess what I'm saying is
23 that it seems to me on the surface, and I don't want to
24 lead you too much, that it is reasonable for staff or
25 Commission reports, for that matter, to offer recommended

1 strategies for the citizens of our state, based upon an
2 independent analysis of what is the most and then the
3 second, and the third, and so forth, cost-effective option
4 to achieve energy conservation.

5 MR. TANTON: Mr. Chairman?

6 CHAIRMAN IMBRECHT: Yes?

7 MR. TANTON: For the record, my name is Tom
8 Tanton with the staff. I would like to point out that the
9 original report did evaluate personnel sensors without
10 prior delamping from the consumers perspective, that's at
11 the prior density of 3.2 watts per square foot. That was
12 without prior delamping.

13 MR. LIPCHIK: Mr. Chairman, I would agree with
14 your position except that what I am suggesting is that if
15 the proper assumptions were made, the results of the use
16 of occupancy sensors prior to delamping would be considerably
17 improved, even in relation to delamping.

18 So I'm saying the staff would not conclude such,
19 if as you suggest, they did what you're suggesting, because
20 I think the assumptions dictate the answers.

21 CHAIRMAN IMBRECHT: Well, I don't know whether
22 they would or not. the other assumptions go to that
23 issue, and that's the question of the assumption about
24 operation at night, and the assumption of the cost of the
25 installed system.

1 MR. LIPCHIK: Well, our quarrel is with the
2 assumptions because we say it affects the results. But
3 we agree that if the results so prove, then you should make
4 such recommendations, because that's the responsibility of
5 this Commission and let the chips fall where they may, but
6 they should be based on valid scientific assumptions,
7 rather than just on opinion.

8 CHAIRMAN IMBRECHT: Okay, or provide alternative
9 analysis, that's the --

10 MR. LIPCHIK: Right, correct.

11 CHAIRMAN IMBRECHT: That was the other point I
12 was trying to make. Okay. But if -- you stated it very
13 clearly, if they -- assuming they were to conclude,
14 irrespective of the other assumption issues that delamping
15 remained more cost-effective than occupancy sensors, and
16 so stated as in effect a recommendation to the general
17 public, but then secondarily said that if delamping occurs,
18 the following savings could be anticipated from occupancy
19 sensors.

20 If you chose not to delamp, similarly these
21 savings could be anticipated, right? That's --

22 MR. LIPCHICK: That's correct, a part of the
23 assumptions are equally fair.

24 CHAIRMAN IMBRECHT: Let me ask staff another
25 question. I noticed in the staff presentation that the

1 assumption as to your cost -- installed cost per device
2 went up \$20 from the original report to the revised report.
3 Is there a reason for that?

4 MR. NIX: Yes, I'm Daniel Nix. The original
5 \$130 number was obtained from a consultant at LBL. The
6 second figure, once we went back through the docket file
7 thoroughly was derived from Novitas literature in a specific
8 case example. So we used the \$150 figure as the benchmark,
9 since the other number was provided by a consultant, and
10 the \$150 came directly from the vendor of the technology.

11 MR. LIPCHIK: We are a vendor and nobody ever
12 asked us is all I can say.

13 CHAIRMAN IMBRECHT: Commissioner Gandara?

14 COMMISSIONER GANDARA: What docket file was that,
15 Mr. Nix? This report did not have a separate docket, did
16 it?

17 MR. NIX: No.

18 COMMISSIONER GANDARA: Are you talking about the
19 nonres docket, or what?

20 MR. NIX: Yeah.

21 CHAIRMAN IMBRECHT: Okay. Thank you Mr. -- is
22 it Lipchik or --

23 MR. LIPCHIK: Lipchik.

24 CHAIRMAN IMBRECHT: Lipchik, thank you. Mr.
25 Gilbert Simon representing the Tishman Research Company.

1 MR. SIMON: I have a statement to make on behalf
2 of Tishman Research Company as follows: The California
3 Energy Commission staff report, "Energy Savings Potential
4 in California's Existing Office and Retail Buildings" has
5 been reviewed by the Tishman Research Company, a producer
6 of automatic personnel sensing/lighting controls, and an
7 affiliate of a major national builder and owner of
8 commercial buildings.

9 The report was judged to be in serious error in
10 it's treatment of personnel sensors, and Tishman Research
11 advised the California Energy Commission and its staff
12 previously. This is a reiteration and an amplification.

13 In brief, the staff report projects unrealistically
14 low savings potential and therefore, long paybacks from
15 personnel sensors based upon the premise that investments
16 in personnel sensors will or should only be made after
17 existing light levels have been reduced by removing half
18 the light bulbs.

19 Although the report does not explicitly recommend
20 across-the-board delamping, the implication is there. The
21 report's bias shows through. The report's assumption that
22 across-the-board delamping by a factor of 50 percent should
23 be undertaken as the first conservation step, ignores the
24 issue of the importance of lighting quality within the work
25 place.

1 Poor quality lighting affects health, comfort,
2 and productivity of occupants. Further, if one were to
3 calculate potential savings from delamping after accounting
4 for savings from personnel sensors, the marginal savings
5 potential for delamping would be far smaller than indicated
6 in the staff report.

7 Saving energy by automatically shutting off
8 lights when no one is present in a space does not risk
9 an adverse affect on people. Saving energy by delamping
10 to very low light levels does. An important issue here
11 is whether or not the state should mandate or encourage
12 a program of energy conservation by acting on recommendations
13 made in this staff report, depending primarily upon
14 drastic reductions in light levels in the working environment.

15 Findings of respected researchers shows signifi-
16 cant evidence that as people age, more and more light is
17 required to perform similar jobs because the amount of
18 light reaching the retina decreases with age. The process
19 starts at age 20 and continues through life.

20 Age also makes people less resistant to glare.
21 It does not make sense to foster lighting levels that do
22 not take this phenomenon into account. Attached are
23 excerpts from a report of the Illuminating Engineering
24 Research Institute entitled, "Individuals Responses to
25 Lighting Parameters for a Population of 235 Observers of

1 Varying Ages" by Mortensen, Blackwell and H. Richards
2 Blackwell.

3 Also a copy of a recent article by Hayden MacKay
4 entitled "Limits on Lighting Response to Energy Crunch"
5 appearing in the April issue of Interiors magazine.

6 These references are in support of our contention.
7 Sacrificing productivity, health, and comfort by mandating
8 or encouraging drastic reductions in lighting levels, and
9 quality is counterproductive and not in the public interest.

10 Tishman Research provided the California Energy
11 Commission with detailed information on four case studies
12 of personnel sensors providing a range of conditions
13 experienced in the marketplace. In a re-analysis by
14 CEC staff of the treatment of personnel sensors in their
15 report, these case studies were off-handedly dismissed as
16 unrepresentative.

17 While certain modifications were made to the
18 report following Tishman Research's earlier comments, the
19 staff continuously characterized the minimum conditions
20 observed in the case studies as the average. This is
21 simply a misrepresentation and further suggests a bias.

22 I'd like to thank you for the opportunity to
23 express our views and comments to the Commission concerning
24 the staff report. We urge that when you respond to this
25 serious matter, you keep in mind these issues in all your

1 policy decisions. The California Energy Commission's
2 credibility and record in fostering energy savings has
3 been exemplary. The Commission should not now risk
4 blemishing its reputation by release of the staff report.

5 Thank you very much, and I will leave this with
6 you.

7 CHAIRMAN IMBRECHT: Thank you, Mr. Simon. Let
8 me just note for the record one issue that I think to
9 some extent we should have on the record, but before you
10 leave, if you'd care to respond to this, you're welcome to.

11 But I'd just note for the record that this
12 Commission some months back adopted new nonresidential
13 building standards for office occupancy. The lighting
14 level adopted by the Commission, and I want to make it
15 pretty clear, this was one of the most contentious issues
16 with respect to the entire issue of standards in this
17 area, and we have extensive debate and testimony from
18 I believe every known illuminating engineering society,
19 et cetera, that presently practices, certainly in this
20 state, and perhaps in the country, a variety of conflicting
21 viewpoints and so forth.

22 But ultimately, the level adopted was 1.5 watts
23 per square foot on the average, not the greater light
24 included in this assumption or this analysis of 1.6 watts.
25 So, I say that in reference to your suggestion that this is

1 an inadequate amount of light, et cetera. Obviously, you
2 have an opinion on that. It's clear that we're talking
3 about average lighting over the total square footage, and
4 the concept embraced within the new standards calls for
5 much more utilization of task oriented lighting, which
6 indeed, in some circumstances, would justify a substantially
7 greater lighting levels in specific physical locations
8 within the total working environment.

9 I just mention that, and suggest -- you made
10 reference in your statement that there were a body of
11 opinions that suggest that there needs to be more light.
12 We recognize that, but in terms of the total utilization of
13 light within the given space, the new standard that will
14 apply to California, come January 1, 1987, is actually less
15 light on the average than what is built into these
16 computations.

17 Okay, thank you very much. Mr. James Himonas is
18 next, representing Novitas Corporation.

19 MR. HIMONAS: Thank you, Commissioner Imbrecht.
20 I too am chagrined that this matter was not settled in a
21 manner where it did not come before the Commission, perhaps
22 more chagrined than you are.

23 I know it's very late, you worked very hard today,
24 I'm going to ask you to slap your faces and --

25 CHAIRMAN IMBRECHT: And miles to go before we sleep,

1 believe me. So you're not going to be the last item we
2 hear today, so you need not worry about us tuning out right
3 now.

4 MR. HIMONAS: Okay, thank you. Then I shall not,
5 thanks for relieving me of that responsibility.

6 There are two reasons for my appearance and
7 testimony today regarding the technology assessments
8 project office staff report on energy savings potential
9 in California office buildings.

10 Number one, to prove that technology assessments
11 methods for calculating occupancy sensor energy savings and
12 paybacks are invalid, and I mean to prove it.

13 Two, to convince the Commission to delete all
14 references to occupancy sensors from this report before
15 full publication is made. We are not asking for the
16 report to be held up. We don't want the honor of being in
17 the report, and I think I can prove to you why that's a
18 reasonable request.

19 Thirty seconds of background -- well, we'll leave
20 it out. There are, however, some very serious ethical
21 questions in this entire affair. I intend to raise them
22 before the Executive Director in the Commission. I think
23 at the moment it is probably not appropriate to raise them
24 now, unless you want me to, I'm prepared to do it; but
25 there are severe ethical questions in the way this report

1 was done, and the way we were treated in the re-analysis.

2 CHAIRMAN IMBRECHT: I think those are appropriately
3 personnel matters that should be raised with the Executive
4 Director.

5 MR. HIMONAS: Then we'll leave them go.

6 CHAIRMAN IMBRECHT: We have rights of employees
7 in question, and so forth, and if it comes to the
8 Commission, that is most appropriately handled in the
9 context of an executive session as a personnel matter.

10 MR. HIMONAS: And I would prefer it be that way.
11 There is, however, one very major question about why
12 occupancy sensors was so honored in this report. The
13 report states, the methodology and the purpose is, as
14 originally written, "the analysis concentrates on
15 technologies which are now commercially available, and
16 from which a large amount of conservation exists."

17 Later on in the report, both the narrative and
18 the charts prove, according to the staff, that "Personnel
19 sensors show an extremely poor typical payback and a low
20 penetration rate." Meaning that they don't save much,
21 they cost too much for the consumer to use, and there's
22 not many of them out there.

23 My question in this is, then why were we included
24 in the report? I can understand why it might be part of
25 the worksheets, but why is over 30 to 40 pages devoted to

1 occupancy sensors, and that's one of the questions I want
2 to raise in private.

3 Now, along that vein, and I'll skip a couple of
4 the other inconsistencies, there are many other lighting
5 load reduction methods available other than occupancy
6 sensors. All of them have achieved considerably greater
7 sales volume than occupancy sensors. One of them enjoys
8 preferential treatment from this Commission, which are
9 daylighting controls.

10 The daylighting controls are a preferred method
11 as written into the new nonresidential standards, they
12 belong in the new nonresidential standards, there is a
13 separate package to make it easy to use them.

14 My question to the writers of the report is why
15 weren't those devices subjected to the same analysis that
16 we were subjected to, and I'm going to tick off the names
17 of a few of the companies: Lutron, well known to everybody,
18 must have been known to the staff, that's a daylighting
19 control system.

20 Conservolite, well known, I would think, to
21 everybody in the staff. Honeywell with a lighting program,
22 well known to everybody on the staff does not appear in
23 the report. G.E. programmable lighting controls, designed
24 only for lighting controls, as or were the other products
25 that I'm talking about, not considered in the report, not

1 subjected to the same analysis, not required to show their
2 savings after delamping and electronic ballasts were put in.

3 So my point is, whether I agree with you or not
4 that occupancy sensors pay out in three years or 12 years
5 as the report says, why weren't these devices scrutinized
6 in the same way and publicized in the same way, and I can
7 tell you that our competition who has this report is
8 already using the report against us to prove that their
9 method is good, they use their numbers to prove their
10 method is good, and then they use your numbers to prove
11 that it's going to take 9 or 10 years to pay back.

12 CHAIRMAN IMBRECHT: Excuse me, sir, just so I
13 understand, you're suggesting, then, that daylighting
14 controls are direct competitors as opposed to complements
15 of your products?

16 MR. HIMONAS: Absolutely, a direct competitor.
17 Daylighting controls are a direct competitor, the Honeywell,
18 in Honeywell lighting control system is a direct competitor.
19 The G.E. programmable control is a direct competitor and
20 in head to head tests, we beat those products in terms of
21 savings.

22 So, if you were to apply the same standards,
23 their paybacks would have been longer than ours, and I say
24 why is it that the Commission is unwilling to put the
25 daylighting controls into this report, and I think that's a

1 reasonable question.

2 I'm not saying I want to be in the report, I
3 just don't like being in here alone.

4 Now, there are three glaring, unsupported
5 assumptions, a couple of them have been discussed. Let me
6 talk about, and incidentally, for the benefit of
7 Commissioner Schweickart, who was not here, I'm sorry,
8 Commissioner, I'm trying to prove that I recognize that
9 the Commission is in good faith feeling that this is a
10 good report.

11 I mean, there's reams of data here, how could you
12 not think it was not a thorough report. I'm trying to
13 prove to you, and I hope that you will give us the oppor-
14 tunity to see that there is another side to the story, and
15 we hope that you will consider it and not -- I got the
16 feeling a little while ago that the vote had been taken,
17 so I hope you'll hold off.

18 On the question of delamping to 1.6 watts --

19 CHAIRMAN IMBRECHT: A vote has not been taken.
20 Commissioner Schweickart simply, at my request, put the
21 matter before us procedurally, we needed a motion, that's
22 all.

23 MR. HIMONAS: Yeah, but there was a heated, a
24 rather enthusiastic endorsement by everyone for the report,
25 so I'm asking you to give us our day in court, which you are.

1 CHAIRMAN IMBRECHT: That's why you're here.

2 MR. HIMONAS: Thank you. The question of 1.6
3 watts per square foot, remember, this report is focusing
4 on existing buildings. It is not talking about the present
5 nonresidential regulations which require people to do
6 certain things in retrofits or major renovation. It is
7 not talking about new construction and it is not talking
8 about the new construction two years from now which will
9 be covered by your new regulations.

10 It is talking specifically about existing
11 buildings which do not come under any regulations right
12 now, unless there's a remodeling.

13 Now, first of all, on the 1.6 watts, it's already
14 been stated, but I want to reiterate, there is no evidence
15 to support the assumption that this method will be applied
16 on any widespread basis in the primary work areas, and
17 that's the crucial issue here. The staff is not recognizing
18 the difference between primary work areas, and other work
19 areas.

20 In fact, the available information weighs against
21 its use. You heard Mr. Simon talk about something.
22 Occupants of individual offices object to the removal of
23 lamps in their offices, now whether I want them removed as
24 the president of a company, or you want them removed as an
25 energy commission that's trying to cut down on lighting

1 energy, it doesn't matter. You cannot walk into someone's
2 office and take lamps out, and if you don't believe that,
3 try it some day.

4 Secondly, in existing buildings, it isn't even
5 feasible, now in existing buildings, it isn't even
6 feasible to delamp to 1.6 watts, and the reason for this
7 stems from the common usage of what we used erroneously
8 in the past, but we used them, fixtures that have four
9 lamps in them, each of those fixtures is about 184 or 165
10 watts.

11 Now, if you take those fixtures and try to
12 delamp them, you cannot take one lamp out of one of those
13 fixtures. You must take two lamps out and a ballast, or
14 you can take out four lamps, or you can knock out one
15 fixture completely. Here is what happens, and this is all
16 part of what our discussion here is today, is that the
17 theory here simply doesn't fit the practice.

18 My feeling is, if you don't have a good theory --
19 if the theory doesn't fit the practice, you don't have a
20 good theory. This is a chart showing the three different,
21 well, the five different possibilities of sizes of offices
22 that the staff has indicated, 110 square feet, 120, 130,
23 140, and 150.

24 Now, if you will notice, there is only one
25 instance where you can actually delamp to exactly 1.6

1 watts. Now, there are some instances, where you can delamp
2 to less than that, and there are some instances where you
3 can delamp to more than that. But to get to exactly 1.6
4 watts per square foot in an office is almost a virtual
5 practical impossibility.

6 Now, what you can do is attempt to balance an
7 entire building to 1.6 watts, and in fact, your new non-
8 residential regulations would say that the building should
9 be 1.5 watts. We've agreed with that, it should be,
10 because there is new technology today, there are new
11 fixtures that don't operate the way these four lamp fixtures
12 operate, and also, remember, the Conservation Division of
13 this Commission has already indicated to outside people,
14 don't worry, you don't have to delamp to 1.5 watts in
15 offices, you will get credit for energy controls like
16 occupancy sensors, or G.E. programmable controllers, cut
17 your lighting down in hallways and public areas, and you
18 can still have two to two and a half watts in an office,
19 which is people want, and that's what they're going to get.
20 They're going to get 2. -- 1.8, 2.2 watts per square foot
21 in the new situation.

22 I'm suggesting to you that it is impossible to
23 get the 1.6 watts, and that's the assumption that the staff
24 has made. The staff has made an assumption that they've
25 taken a generality of 1.6 and applied it to specific offices.

1 It doesn't work that way, it has to be specific.

2 Now, I hope I'm making the point to the staff,
3 I could not make it to them on the telephone, we aren't
4 communicating, you've got to know that, I'm sorry, but we're
5 not, but that the staff here has confused the overall
6 goals for office buildings of 1.6 which I don't think you
7 can achieve in all buildings anyway.

8 I think if you talk to your Conservation Division
9 you'll find out, they'll say that's not possible. But
10 they're confusing the difference between buildings, and
11 lighting in offices, which is what we're talking about,
12 lighting and offices will still be 2 to 2.4, 2.5 watts in
13 the old building.

14 Now, a second false assumption, that there will
15 be installation of energy efficient or electronic ballasts
16 prior again to use of occupancy sensors. There's no
17 evidence to support that claim. There's no evidence to
18 support the claim that energy efficient ballasts, or
19 electronic ballasts will be installed in existing buildings
20 before other lighting controls are installed.

21 To prove my point, we asked technology assessments
22 to provide the locations of 10 buildings in this state that
23 have replaced their ballasts with electronic ballasts. We
24 asked technology assessments to provide us the addresses of
25 five state-owned buildings that have replaced their ballasts

1 with electronic ballasts. There's no evidence in any of
2 their data that this is being done.

3 It's an admirable goal to develop an electronic
4 energy saving ballast. It should be done. It hasn't been
5 done yet, it does not exist. There's ample literature in
6 energy user news that talks about problems of these
7 ballasts, and the State of California itself has been
8 very slow to adopt the usage of them because they don't
9 want the failure rate, and yet this is being promoted as
10 a device that would be used before occupancy sensors,
11 which have been in use for six or seven years.

12 In contrast, I'm going to put up a small sampling
13 of companies who have installed occupancy sensors prior to
14 using either delamping, or energy -- electronic ballasts,
15 and I'll read them to you: AT&T, General Telephone,
16 General Dynamics, the Allied Corporation happens to be
17 in Watertown, New Jersey, the Broadway Plaza, downtown
18 Los Angeles, J.C. Penney, the City of Inglewood, California
19 State Universities, four of them to date, Oklahoma State
20 University, University of Southern California, Hughes
21 Aircraft, Rockwell, and I've left one off because they asked
22 me to not use their name, they don't want to get into a
23 dispute with the Commission, but it's a huge company with
24 a very important name, a huge engineering company.

25 If the staff is correct that delamping and

1 electronic ballasts will be put in before occupancy
2 sensors, then what the staff is saying is that the
3 engineers at these companies are dummies, or that we
4 hoodwinked them, or somehow came up with the funds to
5 bribe them to buy our product. I can assure you, they're
6 a little too smart and a little too tough for that.

7 This list of companies does not constitute token
8 installations, I'm talking about large, widespread use of
9 the product. Hughes Aircraft, for example, has already
10 done 1,500 of their offices, and they have done no
11 delamping in old buildings.

12 In their new buildings, they're going to comply
13 with your regulations, they have to, and our job will
14 be tougher to sell to them, obviously. But that's okay.

15 I'm going to put up one other chart on -- well,
16 I'll leave that go.

17 There's a third false assumption, and a very
18 critical one, and one that Commissioner Schweickart and
19 I discussed, and I didn't have enough information to
20 convince him at that time, and I believe that's why the
21 Commissioner may still be in favor of the report. It
22 involves the Hittman Report.

23 It was told to me that the state paid a lot of
24 money for a very large, sophisticated study of lighting
25 schedules, that is, when lights are on in buildings. After

1 two months of digging, I finally got the report, and then
2 after another three weeks, I got the methodology.

3 The data was collected by asking facilities
4 managers for their estimate of the percentage of lighting
5 loads used during various portions of the day, including
6 those hours from 6:00 p.m. to 12:00 p.m. Obviously, the
7 method is totally unreliable.

8 No experienced research manager would ever accept
9 that method for several reasons, and I hope you didn't pay
10 too much for it. First of all, the respondents, who are
11 the building engineers and managers are seldom, if ever
12 in their buildings after 6:00 o'clock at night.

13 We work with these people all the time. They have
14 no idea how much their lights are on, and they look to us
15 to tell them. We take pictures, we do meter readings.

16 Secondly, the respondents, since they were
17 responsible for lighting consumption, were not likely to
18 provide information which would reflect negatively on their
19 performance. I mean, you don't ask somebody if you're
20 doing a good job.

21 Thirdly, it's well known to researchers that
22 there is a significant difference between what people say
23 and what they actually do. Because of this, that's why
24 A. C. Nielsen puts meters on TV sets when they do ratings
25 of programs, otherwise, the Joffrey Ballet from San Francisco

1 would be the top rated show, and the reruns of Lucy would
2 be the bottom rated show, and it works out the other way.
3 People don't do, in research studies, don't say what they
4 actually do.

5 The only reliable method to determine lighting
6 schedules and use is to meter the building, and the Energy
7 Commission I feel is derelict. You have not done that to
8 my knowledge, once in the State of California. You have
9 not taken a group of buildings and said, let's meter some
10 buildings to find out what the usage is. Let's meter some
11 buildings with some alternate technologies.

12 You're investigating technologies, subject them
13 to some metering, not to the concensus of a lot of people
14 who sit around a room and say, gee, I think this is what
15 it is.

16 There are two significant errors, and I'm getting
17 very close to the end. There are two very significant
18 errors, however, that if you threw out everything I said
19 before, and if you threw out all the comments of my
20 competitors, by themselves would render the report
21 invalid.

22 There has been a misuse of the Conservation
23 Division lighting schedules, and I hope we don't
24 have to drag them into this. The lighting schedules
25 provided by the Conservation Division and alluded to by the

1 writers of the report, were developed for the purpose of
2 providing energy credits for occupancy sensors and other
3 devices. Of necessity, they were highly conservative,
4 and developed by concensus, again, not metering, and they
5 should have been conservative, because we shouldn't have
6 been given enormous advantages without some proof.

7 Nevertheless, the CD estimated that 45.7 percent
8 of a building's lighting load, a typical office building's
9 lighting load is used in office buildings after 5:00 o'clock.
10 If you want the reference for this, see the analysis
11 methodology for determining energy savings due to daylighting,
12 P400-83-001, April 1983, which was published long enough in
13 time for the writers of the report to consider that piece
14 of data.

15 Therefore, if you use those numbers, the use of
16 a 3,000 hour lighting schedule is understated by approximately
17 300 to 5,000 -- 300 to 500 hours. The result is that there
18 are now four rates of savings that are being kicked around
19 here.

20 There's a thing called the Hittman low-rise which
21 we submit is totally invalid, 24 percent. It's invalid
22 because the test is invalid. There's a Hittman high-rise
23 which was presented by the staff at 25 percent, again
24 invalid because the test is invalid. There is a CD low-rise
25 which was developed on the basis of concensus. There's a

1 CD high-rise developed on the basis of concensus, and
2 these two numbers, remember, were used to develop the
3 energy conservation credits.

4 As you recall, occupancy sensors got a 30 percent
5 credit and so did daylighting controls. So the folks who
6 worked on this, we argued with them, we told them that
7 these numbers are too low, they said yeah, we know that,
8 but these are for credits, we're issuing this for credits,
9 we're not issuing this as a statement of what your device
10 will save, and we don't feel it's conscionable to issue
11 a credit more than what we're positive you can save. I
12 said, okay, that's fair enough.

13 But in another analysis that the Conservation
14 Division did, if you use that calculation, they come up with
15 a 41 percent savings. So the savings numbers here are
16 specious and there is not one piece of data here that was
17 ever used -- where metering was ever used, it's all
18 assumption.

19 The second piece of information, though, and
20 maybe I should have started with this, maybe I can save you
21 a lot of time. The report is using a piece of information
22 that we published almost three years ago on the price --
23 the installed price of occupancy sensors, a price of \$150.

24 There's competition in this business, times have
25 changed. What was in the docket that was referred to was a

1 docket of June 1982, not today. I submit to you, one of
2 our competitors has shaken up the industry. Here's an
3 advertisement, \$59 including all hardware. Now, he has --
4 in addition to that, there will be a cost to install the
5 product. Our competitor claims it will only be 25, we
6 say it's 45.

7 But regardless of who's saying it, it's \$100
8 maximum. The staff has developed their paybacks on \$150
9 cost. We don't sell it for \$150 any more either, but they
10 didn't want to listen to that.

11 This man is bringing the price down to \$100.
12 There's a man in this room who's going to beat that, got the
13 pants scared off us. He's probably going to do it without
14 any labor, I hope I haven't given away his secrets. The
15 prices have dropped dramatically.

16 On that basis alone, Commissioners, that payback
17 period is totally out the window. There's a difference of
18 \$50 in cost, from \$150 to \$50. Now, I would think that a
19 staff that was on top of what's going on would read
20 "Energy User News". This man has been selling this product
21 at these prices, or \$10 more, for the last 11 months, and
22 he's forcing the rest of the industry to come down in price,
23 which is the way maturing industries function.

24 So my summary of this is that there are false
25 and unsupported assumptions. I think I've demonstrated that,

1 if I haven't I'll come back and try to do it. There are
2 drastic errors which have been made which invalidate the
3 paybacks and the savings, and most importantly, there is
4 no good reason that I can see for again giving us the
5 honor of being included in this report, unless it's to be
6 shown that we are an economically practical device.

7 If we're not economically practical, then it's
8 fine for the staff to do their analyses, and keep that
9 data on file, and use it for when they need to among
10 themselves, but why does it get published publicly, without
11 publishing the G.E. data, or the Honeywell data, or the
12 Lutron data, or the Conservolite data. There's no good
13 reason for it.

14 The purpose of the report is to present ideas that
15 people can use. You're trying to convince people that they
16 can cut down on their electricity. Why in God's name would
17 you show -- would you spend 30 or 40 pages on a product that
18 if an engineer sees it, he says, well, the Commission's
19 all wet, you can't save, you can't bring the lighting down,
20 you've got to use products that have a 10 year payback,
21 you can't sell a 10 year payback product. I can't.

22 Conclusion, the effects of a California Energy
23 Commission report on our industry start as ripples and
24 they become tidal waves. Other states, and even the
25 federal government, model their regulations after ours.

1 They accept data published by the California Energy
2 Commission as being well researched and accurate. Private
3 businesses use Commission reports to prove their claims
4 of superiority over competitors.

5 I can tell you our competitors are using this
6 report against us today.

7 Vast numbers of hours and money have already
8 been spent on the issue, we've alluded to it, it's a
9 tragedy. Nearly all of it is wasted. I'm not talking
10 about the other sections of the report, I'm talking about
11 occupancy sensors now.

12 I believe technology assessments should be applying
13 its time to useful projects, instead of defending a
14 lofty but indefensible perch. As an officer of a responsible
15 company, and we've tried to bring responsibility to this
16 industry which frankly, several years ago, had precious
17 little of it.

18 As an officer of this company, my company, and as
19 a private taxpayer, I resent the misuse of public funds,
20 and the time, and the unwanted harassment that we have
21 experienced in this affair.

22 I urge the Commission today to delete any
23 references to occupancy sensors today, and let's go on,
24 publish the report, and let's go on to more productive work.

25 I would say one last thing to you. In 1951,

1 Justice Learned Hand wrote in his treatise "Morals in
2 Public Life", "I beseech ye, think it possible that ye
3 may be mistaken." That was a quote from Oliver Cromwell,
4 I think one or two of you may have recognized.

5 Learned Hand then goes on to say, "I should like
6 to have that written over the portals of every school,
7 every church, every courthouse, and may I say, every
8 government building in the United States." Amen.

9 I would like to hold --

10 (Applause)

11 CHAIRMAN IMBRECHT: And with that I've lost my
12 microphone. I was going to say, you nearly bring a tear
13 to my eye.

14 MR. HIMONAS: Now that you've applauded I can
15 keep your autographed picture.

16 CHAIRMAN IMBRECHT: Listen, I'd take that instead
17 of that mural we've got outside, without question.

18 (Laughter)

19 CHAIRMAN IMBRECHT: If that's anti-art, so be it.

20 MR. HIMONAS: I offer the dove of peace and
21 cooperation if we can educate each other, we should do that.

22 CHAIRMAN IMBRECHT: Thank you very much, Mr.
23 Himonas. That was a very good presentation, I think you
24 made your points very well.

25 Well, obviously, the matter is now before us. I

1 have a couple of questions to lead off. Mr. Nix, I think
2 it's important to respond to a few of the things that
3 Mr. Himonas raised. Why weren't daylighting control devices
4 included in this report?

5 MR. NIX: Well, at the time we set up the
6 analysis, we had a fixed time frame to do it, we laid out
7 a spectrum of devices, marched through them. When we got
8 to the point, we felt at that time that personnel sensors
9 were likely to be the most productive device. We reached
10 the point in lighting levels at which payback periods were
11 extremely long.

12 Clearly, at that point, it makes no sense to
13 consider daylighting controls. Our purpose was not to
14 provide a consumer reports, once again, it's to estimate
15 conservation potential. For that reason, once you reach a
16 point where payback periods are such that we felt that the
17 marketplace would not be motivated, there's no point in
18 going further.

19 CHAIRMAN IMBRECHT: So you're saying you assume
20 that personnel sensors have greater savings potential
21 than daylighting controls?

22 MR. NIX: Well, we reached the point at which the
23 payback periods were of such a duration, greater than three
24 years, that we felt that they were -- the potential would
25 not be achieved in the marketplace, and therefore, no

1 need to consider any further technologies.

2 COMMISSIONER SCHWEICKART: The answer is yes. I
3 mean, I don't want to speak for Dan, but the methodology
4 is as we have done in setting all of our standards in the
5 building conservation area, namely we take whatever the
6 baseline may be, in this particular case, existing office
7 buildings, and what you do is take the array of possible
8 measures, and you start at the one which is the most
9 cost-effective, and then after installing that one, you
10 go through the array again and pick the next most cost-
11 effective, and then you go again through the whole array.

12 CHAIRMAN IMBRECHT: I understand.

13 COMMISSIONER SCHWEICKART: And unfortunately, the
14 staff made the cutoff just below personnel sensors, and
15 the industry instead of seeing that as the fifth most
16 cost-effective device in all of the potential panoply
17 here of saving money in office buildings, reads it as the
18 least possible cost-effective.

19 CHAIRMAN IMBRECHT: Okay. Got that answer.
20 Second question. In terms of utilization of the 1.6 watts
21 per square foot, it would seem to me on the surface from
22 just -- that's predicated upon a total average lighting
23 load within an office building, is that not correct, or
24 an office total space, including hallways and so forth?

25 MR. NIX: It's an average figure of 3.2 watts,

1 that's correct.

2 CHAIRMAN IMBRECHT: Of what?

3 MR. NIX: 3.2 watts per square foot.

4 CHAIRMAN IMBRECHT: I thought it was 1.6.

5 MR. NIX: Well, after delamping, you arrive at
6 1.6.

7 CHAIRMAN IMBRECHT: Well, that's where I want to
8 be, though. So after delamping, you arrive at 1.6.
9 But the assumption in that would be that there would be
10 differential lighting levels from one area of the space to
11 another.

12 MR. NIX: That's correct.

13 CHAIRMAN IMBRECHT: That's correct, okay. Would
14 you contemplate that personnel sensors would be utilized
15 in hallways and other public portions of a building?

16 MR. NIX: Perhaps not in hallways, but as the
17 report -- well, we tried to lay out many situations in
18 which we felt that they were very appropriate, conference
19 rooms, for example.

20 CHAIRMAN IMBRECHT: No, I understand, but I mean,
21 my understanding of that long discussion I made reference
22 to earlier of -- by the illuminating engineers and those
23 various groups, at the places where there was opportunity
24 for savings in particular to justify an average of 1.5,
25 or in this case, an average of 1.6, would an area such as

1 lobbies, and so forth, where there were no tasks anticipated
2 to be performed, beyond walking, I guess is the best way to
3 describe it.

4 So, I guess what I come down to is to apply the
5 1.6 watts per square foot as an average personnel sensor,
6 strikes me, at least, I'm looking for an explanation, as
7 artificially low. I mean, personnel sensors are going to
8 be used in closed rooms, predominantly, I would presume.
9 Individual offices, and conference rooms, I buy that,
10 drafting areas, and so forth, and so don't you logically
11 have to come to the conclusion that that is going to mean
12 a savings of something? I'm not sure what it is, but
13 something in excess of a total building average?

14 MR. NIX: No. For example, the ambient lighting
15 levels in this building, and we do have open space design,
16 are about .9 watts per square foot. Staff typically used
17 task lighting to make up the difference, to eliminate the
18 work area, that raises the lighting level to 1.3 watts
19 per square foot, somewhere in that area.

20 So at 1.6 watts per square foot is not contradictory.

21 CHAIRMAN IMBRECHT: This is a new building, and
22 those are -- we're talking about old buildings in this
23 instance.

24 MR. TANTON: Mr. Chairman, I would like to point
25 out also that the 1.6 is based upon a 1978, 1980 Commission

1 adopted optional lighting standards, wherein it was shown
2 that actual delamping of buildings could achieve levels
3 between 1 and 2 watts per square foot in the task location,
4 not as a building average, that was in the task location,
5 and 1.6 refers to the task location, meaning your office,
6 or my office, not including the corridors.

7 CHAIRMAN IMBRECHT: On my desk.

8 MR. TANTON: Essentially yes, well, not hooked
9 onto your desk, but on --

10 CHAIRMAN IMBRECHT: No, I mean the lighting level
11 on the surface of my desk.

12 MR. TANTON: Right.

13 CHAIRMAN IMBRECHT: Okay. I guess the last
14 question in the context of the assumptions of cost-
15 effectiveness, and recognizing you're referring to something
16 in our docket, but at the same time, this is not a proceeding
17 so you in effect could take notice of price levels and so
18 forth from other sources.

19 Do you think it makes sense to publish today,
20 admittedly this thing has been delayed for 8 or 9 months
21 because of these concerns, but publish in June of '84
22 cost/benefit analyses predicated upon mid-'82 numbers?

23 MR. NIX: It doesn't make a bit of sense, and
24 what I find very interesting about this whole set of
25 circumstances is the fact that we're almost arriving at the

1 first anniversary of the original report, at which time
2 the devices were \$150, perhaps \$130 installed. Mr. Himonas
3 takes 11 months to finally read the "Energy Users News"
4 and bring to the Commission's attention that the device
5 prices have fallen.

6 We have not spent a great deal of time tracking
7 the evolution and maturity of personnel sensors. On the
8 issue of delamping, we carefully examined the Hittman
9 data, estimates made by PGandE in the course, for example,
10 of the demand forecasting, and if people are going blind
11 because of delamping, approximately 77 percent of us are
12 blind.

13 There has been a tremendous amount of delamping,
14 it's a highly cost-effective measure, so it's something
15 that's done in the marketplace.

16 CHAIRMAN IMBRECHT: I think I probably could have
17 cited 10 buildings where there's been delamping in the
18 state government by my personal observation. I recall my
19 office in the capitol being forcefully delamped, and you
20 would think that if there were those individuals in
21 state government that would have some ability to dissuade
22 on those bases, you'd think it would be members of the
23 Legislature, or Governor, or something.

24 I know there's actually delamping within his
25 personal office as well, for that matter.

1 MR. NIX: I don't think you'd want to go into
2 your office and delamp from the lighting levels you're
3 at.

4 CHAIRMAN IMBRECHT: No, I'm talking about my
5 office at the capitol -- my former office at the capitol.
6 You're right, I didn't like it, I had a windowless office,
7 and every other flourescent bulb was out.

8 COMMISSIONER COMMONS: Our office did well
9 yesterday, though.

10 CHAIRMAN IMBRECHT: Okay. I'm just trying to
11 clear up a few of these things, and I guess -- well,
12 whatever the reality is, and whatever the delays have been
13 and so forth, we still, I think, have to focus on the
14 justification today of putting out a report that we may
15 have some substantial concerns about being current as of
16 the date of actual publication, irrespective of the
17 equities or manner in which staff or other interested
18 parties may or may not have pursued this, and I'm sure
19 we're going to have a lot of different opinions about that,
20 and probably in perpetuity.

21 MR. NIX: I don't want to make any comments about
22 process, about allegations of request to provide installa-
23 tions of 10 electronic ballasts, which I haven't seen, or
24 anything else associated with this process. But I think in
25 good faith, given the change in the prices, that we cannot

1 issue that report, I will not be a party to that.

2 CHAIRMAN IMBRECHT: So you have issue with that
3 change in prices.

4 MR. NIX: I think the only responsible measure
5 right now is to delete all references to personnel sensors
6 as expeditiously as possible, and to close it.

7 CHAIRMAN IMBRECHT: And release the remainder of
8 the report.

9 MR. NIX: Okay. Well, that tends to focus us
10 a bit. Let me -- pardon me?

11 COMMISSIONER SCHWEICKART: I doubt that it's
12 possible.

13 CHAIRMAN IMBRECHT: Commissioner Crowley.

14 COMMISSIONER CROWLEY: May I ask a question. Can
15 you tell me please whether you think the other data are
16 valid, given the time frame, aside from that particular one
17 you're discussing, they are, the ballasts.

18 MR. NIX: That's correct.

19 COMMISSIONER CROWLEY: Thank you.

20 CHAIRMAN IMBRECHT: Commissioner Commons, do you
21 have a question?

22 COMMISSIONER COMMONS: Yeah, I have two comments.
23 One is, I think in the proceedings that we're going to
24 have on RETO and potential energy conservation, potentially
25 achievable, the information contained in this report

1 including the sensors and the updated information in this
2 process is certainly going to be one of the topics that
3 want to be covered, and so the information, I think,
4 before we do the Electricity Report is going to be
5 worthwhile, and should be introduced, and I wanted to give
6 notice to industry that that would occur, and that they
7 should check our office.

8 There is a schedule of hearings, which include
9 hearings in Southern California, and so that they would
10 at least then have an opportunity to put information on
11 the record.

12 Second is, when your Committee looks at these
13 type of reports, one thing I think we can do as
14 Commissioners, or it might help in terms of the process,
15 is we send out a draft report for comment, so at least if
16 we don't have a hearing, there's comments on the reports,
17 which doesn't, obviously some people don't catch the
18 report until it's made final, but having comments on
19 reports before staff reports, or Commission reports go out,
20 helps a lot.

21 We'll have an R&D report tomorrow, where we got
22 a lot of, I think, very positive, helpful suggestions that
23 we would have as staff or Committee would not have gotten
24 if we hadn't sent it out to people who have a lot of
25 knowledge and experience, and it's very difficult to write

1 1,500 or 500 or however many reports without having some
2 of those type of comments.

3 My personal feeling is that -- well, what we've
4 heard from industry today is -- in this area, that we have
5 to be very cautious here. People really can use this type
6 of information. When we're trying to analyze things from
7 a very broad spectrum in terms of trying to look at, you
8 know what our resource plans for the state, or our conserva-
9 tion goals for the state, we can do an analytical effort
10 in all good faith, and there might be some assumptions
11 that we've made, or some things that we've done, but we
12 haven't covered the whole territory, and we have limited
13 resources.

14 Not only it's the work that we do, but it's the
15 way we distribute, or how we utilize that information in
16 terms of coming up with overall Commission goals, and we
17 have to be cautious that we're not interferring, or having
18 a substantial negative impact on a particular industry
19 because sure, a lot of people do do dislamping, but there
20 are also a lot of people, and these are good salesmen,
21 they made a pretty good case before us, they probably sell
22 some people to do personnel sensors when delamping may
23 have been more cost-effective, or for one reason, that
24 particular building wasn't suitable for delamping.

25 I think we have to be cautious in getting into

1 product areas when we're dealing with overall Commission
2 right -- your statewide Commission philosophy, or trying
3 to come up with programs. It's appropriate to help us in
4 terms of coming up with macronumbers on potential -- energy
5 conservation potentially achievable, or what is RETO in the
6 state, but not to come up with do you do this with sensors,
7 or this with daylighting, or this with delamping.

8 It should help us inside the Commission, but
9 shouldn't be used -- which I think would be used by
10 industry for competitive advantages, and taken out of
11 context.

12 EXECUTIVE DIRECTOR WARD: Commissioner, if I
13 could make two points. On your point, I think Commissioner
14 Schweickart expressed it as succinctly as I could regarding
15 the way this analysis was accomplished. Actually I want to
16 make three points, the third is a question of General
17 Counsel.

18 The second is that I think that Mr. Nix was
19 extremely tactful in responding to some of the concerns
20 that Mr. Himonas raised. I feel that technology assessments
21 has really bent over backwards, and in fact, this process
22 has been extremely unique in terms of not distributing this
23 report, going through a lengthy re-analysis that was
24 extremely time consuming, and in the interest of good faith,
25 and all the kinds of concerns that were expressed by

1 Commissioner Commons, I think we're in keeping with that
2 good faith.

3 I think one of the things we need to recognize
4 here is that we have held up distribution of these
5 documents. We've had in excess of 600 requests, and I would
6 like to get counsel's opinion on how we deal with that,
7 and I think that should be part of your decision as you
8 take a position on this.

9 CHAIRMAN IMBRECHT: In the event that -- let me
10 put it more succinctly, in the event that the Commission
11 were to order that a portion of this report not be
12 distributed, are there Freedom of Information Act considera-
13 tions or other appropriate statutes and regulations we
14 should be aware of?

15 MR. CHAMBERLAIN: No, I think there was a concern
16 prior to today that we had held up the report without
17 adequate justification because the staff had determined
18 in its own mind that the report was final, and there is
19 the ability of an agency when it's going through the
20 review process, and it's going through drafts of that
21 report, to withhold those drafts until it determines that
22 a document is final.

23 It seems to me, what's happened today, is that a
24 document that we thought was final, has been determined now
25 not to be final, so that I believe the changes can be made,

T.11
1 and there's no obligation to release the report in its
2 current form.

3 CHAIRMAN IMBRECHT: Okay, thank you.

4 Okay. The matter is before us. Do I hear any
5 amendments, or are we going to vote on Commissioner
6 Schweickart's motion? Commissioner Commons?

7 COMMISSIONER COMMONS: I find that Commissioner
8 Schweickart's motion is not inconsistent with the
9 Executive Director, deleting personnel sensors, if he feels
10 that that information is not current, and if we were to
11 suggest to the Executive Director that he should do this
12 or that, he would be going beyond the scope of what we
13 were initially discussing in terms of getting into what
14 that content is.

15 Rather, I think what we're saying to the Executive
16 Director, in light of the information that we've heard from
17 industry and staff today is to follow their normal
18 procedures, and leave it to his discretion as to what's
19 appropriate.

20 CHAIRMAN IMBRECHT: Well, that would require a
21 slight amendment to Commissioner Schweickart's motion. He
22 has given me a handwritten copy, and it reads that we
23 would direct the Executive Director to publish and distribute
24 the report as currently revised in the manner consistent
25 with -- you have to strike that phrase, as currently

1 revised.

2 I think that if we directed the Executive
3 Director to handle this report and its distribution as all
4 other staff documents and analyses are handled, and if the
5 Executive Director were to make an independent decision, or
6 well -- I don't know how independent it will be at this
7 point, but obviously, a decision with his finger in the
8 air recognizing where the Commission may or may not be on
9 this issue, to delete the reference to occupancy sensors,
10 that I suspect we would accomplish everyone's purpose.

11 But I'm not going to tell the Executive Director
12 what to do in this case.

13 (Laughter)

14 CHAIRMAN IMBRECHT: Commissioner Gandara, do you
15 have any comments?

16 COMMISSIONER GANDARA: Yeah, just a comment.
17 You know, I'm frustrated by the day's events, and I think
18 that today has to stand as the Commission's monumental
19 day of equivocation, just about every issue that came
20 before it, and I am frankly quite disturbed by the fact
21 that I think in this particular instance, the Commission
22 has had to spend a lot of time, and devote a lot of effort
23 to an issue, that frankly, regardless of where we are, if
24 we had this kind of commitment to the report, this kind of
25 commitment to the re-analysis and so forth, that some

1 simple attention would be paid to the price of the product
2 that's going to be the issue.

3 I think that part of the reason we got into this
4 thing is precisely -- was precisely the basis for my
5 earlier comments. This was one of those reports that to
6 my knowledge, nobody knew was under preparation, I didn't
7 know it, and I'm a very careful reader of the biweeklys,
8 or bimonthlys, whatever they're called now.

9 Again, I think there's a major policy conclusion
10 here that is a very useful one. I'm sort of disturbed
11 that notwithstanding Mr. Himonas' excellent presentation
12 that nonetheless, that the direction ought to be that if
13 there's something worth saying, let's send it back to the
14 staff so that we can finish the work on the report, and
15 issue it as a valid, useful document, rather than having
16 a report coming up, and because somebody's part of this --
17 is perhaps seen as not treated fairly, or at some other
18 time we start chipping away at products here, there or
19 wherever, I think we ought to take the whole thing as a
20 totality.

21 If there's serious deficiencies in the methodology,
22 then we ought to reject it. If on the other hand, there
23 seems to be some value in putting out a report of some type,
24 then it's worth investing the time to do it right.

25 So I would be concerned about just saying, well,

1 we'll excise this, and that purifies it, and that's okay.
2 I'm more interested in going back and saying, well, if this
3 was worth looking at, and if the methodology is correct in
4 having done so, let's use the new numbers, let's use the
5 new figures, let's use the updated things, let's assign
6 this to a Committee, the Committee shall hold a hearing,
7 but let's scrub it so that we're not sitting here hearing
8 issues to no avail.

9 EXECUTIVE DIRECTOR WARD: I would concur, you
10 know, Commissioner in what you're saying, and in fact, I
11 think the point that can be raised here is that there have
12 been serious and repeated requests for information that
13 would affect the outcome of this, and our conclusions in
14 this report, and that the staff has, in good faith, as I've
15 indicated, tried to work with people that have been concerned
16 about this report in that vein.

17 The other side of that issue, and Dan can probably
18 explain both, the number of requests and the insufficient
19 information. The second side of it is that if we open this
20 up, theoretically do another run based on a change in
21 economics, then we have to look at the whole gamut again.

22 So it would be a lengthy re-analysis not only
23 of the personnel occupancy sensors, but daylighting controls,
24 and on, and on.

25 CHAIRMAN IMBRECHT: Daylighting controls haven't

1 been analyzed, so there's nothing to that, and the economics
2 of relamping, I don't believe there's been any discussion
3 that that's changed particularly. Let me try -- in other
4 words, and I generally agree with your comments,
5 Commissioner Gandara --

6 COMMISSIONER GANDARA: I didn't finish.

7 CHAIRMAN IMBRECHT: Okay, well, up until this
8 point, what if the report, absent the occupancy sensors
9 were released, and then subsequently we directed the staff
10 to re-analyze the occupancy sensor, and potentially the
11 daylighting control analysis as well, and follow it up
12 with an appendix or supplemental --

13 COMMISSIONER COMMONS: Well, that would be a work
14 plan issue.

15 CHAIRMAN IMBRECHT: It is a work plan issue
16 clearly, but raise that as a potential.

17 COMMISSIONER GANDARA: Well, again, it does seem
18 to me that we get rid of today's headache by, you know,
19 dealing with that particular aspect of it, but frankly,
20 Mr. Himonas raised some other legitimate issues on
21 methodology, about the Hittman Report, and --

22 CHAIRMAN IMBRECHT: I agree he raised some
23 issues that --

24 COMMISSIONER GANDARA: Now, whether they're
25 accurate, or not, it seems to me he went through a number

1 of those issues, so you know, I think that there ought to
2 be an opportunity for that to be set straight.

3 At this point, I'll tell you frankly, I don't
4 care what you do with this report, but I'm not going to be
5 a party to sort of, you know, being run up and down the
6 flagpole by the staff and by the people who are concerned
7 out there. As I said before, I think a disservice has
8 been done to us the way this whole thing has been done,
9 so I'm not going to delay it any further by discussing
10 the issue, but I just feel I have to get that said, because
11 I don't think this really stands us in good stead, I don't
12 think, the hold they have.

13 CHAIRMAN IMBRECHT: I share that general
14 judgment, frankly, but I'm not sure where we go from there.
15 Well, okay, we have a motion before us. Do you care to
16 offer any modification, Commissioner Schweickart, or does
17 anyone care to offer an amendment, that's where it is,
18 and let's get it resolved.

19 COMMISSIONER SCHWEICKART: I think the -- I
20 don't want to belabor the -- all of the dirty linen in this
21 whole proceeding, but to my knowledge, this issue of the
22 economics has just now been raised in terms of the price
23 of sensors. If that's not the case, and I'm sure that
24 will be the claim, then I'd like to see the specific
25 places where it's been raised before, and where these

1 numbers have been ever presented before.

2 I don't think that absolves the staff from not
3 being aware of it. In fact, if at the time the report was
4 written, or the re-analysis was done there was general
5 knowledge available upon the prices, so I think there may
6 be faults on both sides.

7 Nevertheless, I think the suggestion of excising
8 personnel sensors entirely from the report is a virtually
9 impossible task, and I would submit, and I would like to
10 have a sense of the other Commissioners rather than go
11 through futile exercises or amendments, I'd like to
12 understand where the other Commissioners might come down
13 on a relatively simple and straightforward statement that
14 immediately prior to final revision of the report, that
15 evidence was presented regarding the availability of
16 personnel sensors at current prices, down to \$100 and
17 perhaps less in the immediate future, and that the economics
18 of personnel sensors should then be taken into account in
19 any individual or specific application, rather than trying
20 to excise personnel sensors entirely from the report.

21 CHAIRMAN IMBRECHT: Before I answer that question,
22 let me ask Mr. Nix, do you think that personnel sensors can
23 be excised?

24 MR. NIX: Well, that's a matter of deleting
25 material, yes, we can literally, by --

1 CHAIRMAN IMBRECHT: Does it leave the remainder
2 of the report a logical document?

3 MR. NIX: No.

4 CHAIRMAN IMBRECHT: It does or does not?

5 MR. NIX: It leaves the report as a logical
6 document. As we said earlier, the contribution to the
7 energy savings potential from personnel sensors on the
8 initial and the re-analysis remained negligible, so it
9 does not change --

10 CHAIRMAN IMBRECHT: So the justification to have
11 it in in the first place, which was one of the points
12 Mr. Himonas raised is perhaps less than compelling.

13 MR. NIX: Right.

14 CHAIRMAN IMBRECHT: I'm trying to say that
15 softly so -- okay, well, in answer to your question,
16 Commissioner Schweickart, I would not be inclined to
17 support that alternative.

18 COMMISSIONER SCHWEICKART: Let me pursue it
19 slightly differently, because I've been in this game too
20 long now, if you'll pardon me, Mr. Chairman.

21 CHAIRMAN IMBRECHT: Sure.

22 COMMISSIONER SCHWEICKART: Dan, is it your
23 opinion you could excise personnel sensors from this
24 report without Mr. Himonas coming back time and time and
25 time again saying that you really haven't done it because

1 in this area it's implied, even though it doesn't use the
2 word? I mean, I can frankly see a tremendous amount of
3 work being done, and never getting there, to the satisfaction
4 of the people who have been complaining about this report
5 for the last eight or nine months.

6 MR. NIX: Well, I think you're all familiar with
7 the chain of correspondence, and --

8 COMMISSIONER SCHWEICKART: I mean, you're not
9 talking about eliminating three paragraphs on page 24
10 period, you're talking about something that is scattered
11 throughout the report, and even where it's not mentioned
12 explicitly, there is implied inclusion, and I'm really
13 seriously asking you whether it's possible to do that.
14 If it is, terrific.

15 MR. NIX: It is possible to excise personnel
16 sensors to the document, simply a technology that was not
17 covered. You asked another question, whether you will
18 ever hear on the issue again, and I refer you to the
19 trail of correspondence, and I pose the question, why 11
20 months after beginning this process we have an advertisement
21 from "Energy Users News" and I share the culpability on
22 that, but --

23 COMMISSIONER SCHWEICKART: Well --

24 CHAIRMAN IMBRECHT: I'm going to try something
25 else. I'll tell you, I mean, to some extent, this highlights

1 one of the concerns that Commissioner Gandara expressed in
2 that if you don't have a proceeding associated with the
3 document that's produced, you don't have a beginning date
4 and a final date. You don't have the ability to say that
5 the applicant, or the party that's complaining of the
6 result had their day in court and by virtue of being silent,
7 they lost a subsequent ability to complain.

8 We don't have that in this situation, and most of
9 our proceedings we do. There is a finite cutoff time
10 period, but that's --

11 EXECUTIVE DIRECTOR WARD: Mr. Chairman, if I
12 might give you one possible option here, the "Energy News"
13 is an advertisement for a price of an occupancy sensor.
14 I'm not sure, and Dan may be able to quickly answer this,
15 it's synonymous with the type of personnel occupancy sensors
16 that we've been looking at, and you know, I'd like
17 at least to have staff be able to take a look at the myriad
18 of devices that are out there, and do some calculation to
19 see whether in fact the price they're using is an
20 unrealistic price, because we're basing that on the
21 assumption of one newspaper article, as far as I'm concerned.

22 CHAIRMAN IMBRECHT: I'm going to obviously go
23 with the majority viewpoint of the Commission. I'm not
24 here to get into a large dispute with staff and so forth.
25 I think other methodological questions were raised that were

1 equally compelling to the question of change in the price.
2 Now, I know Mr. Nix indicated that it would be his
3 recommendation to excise based upon the change in price.
4 I personally think there are enough other substantial
5 issues raised that would either justify excising, or a
6 substantial proceeding to review.

7 EXECUTIVE DIRECTOR WARD: I think of the list of
8 questions and concerns that were raised, though, that in
9 fairness to the staff, there should be an adequate time
10 for response if we're not going to stop just on the price.

11 CHAIRMAN IMBRECHT: Well, I guess I'm speaking
12 as one Commissioner, that is not the only issue that
13 leads me to the conclusion. Commissioner Crowley.

14 COMMISSIONER CROWLEY: As I understood the
15 comments, though, I do believe most of the comments on
16 the report dealt with the personnel sensors, so that if
17 they were deleted from the report, that would cover most
18 of the concerns raised, is that correct?

19 MR. NIX: That's correct. We've received one
20 other comment on the document, and that was that one of
21 the technologies on one of the charts was not eligible
22 for the federal conservation tax credit, that's one entry
23 in one chart, buried in an appendix, that's the extent of
24 the comment.

25 COMMISSIONER CROWLEY: But the comments today have

1 clustered around one type of --

2 MR. NIX: That's correct. You're hearing from
3 an industry group, an industry that markets and sells
4 personnel sensors. I do think that -- well, I would like
5 the opportunity to respond to many of the questions that
6 were raised, particularly regarding the Hittman data. That
7 was precisely the approach used by a firm called Siska and
8 Hennessey in a joint study done with the Tishman Research
9 Company, and you heard from Mr. Simon who represented
10 Tishman earlier, in a study done in New York in 1978.

11 CHAIRMAN IMBRECHT: Okay. Well, the bottom line
12 is -- Commissioner Commons, do you want to indicate what
13 your position is on this, and let's then see if we can
14 come to a motion.

15 COMMISSIONER COMMONS: Well, I have two positions
16 that are acceptable to me. One is to give it back to the
17 Nonresidential Building Standards Committee and have them
18 conduct a hearing, and either have it issued as a staff
19 report, or come back to the Commission.

20 Or I'm willing to accept the motion which would
21 give the discretion to the Executive Director following
22 our normal procedures, as based on the information that
23 was presented here today as to how we should proceed. I'm
24 an easy one today.

25 CHAIRMAN IMBRECHT: All right, fine. Commissioner

1 Gandara?

2 COMMISSIONER GANDARA: I don't care.

3 COMMISSIONER CROWLEY: Mr. Chairman?

4 CHAIRMAN IMBRECHT: Commissioner Crowley?

5 COMMISSIONER CROWLEY: Would it be possible to
6 defer this to a time when Mr. Nix could present his
7 comments regarding the points that were made today, and
8 also perhaps looking into, somewhat, the concept of a staff
9 report so that we can have some sort of a framework, or
10 at least that I could have some sort of a framework as
11 to this, in general terms?

12 CHAIRMAN IMBRECHT: Well, let me just say that
13 this -- that is possible, certainly. This matter has been
14 with us for -- as everyone has alluded to for some period
15 of time.

16 COMMISSIONER CROWLEY: I understand.

17 CHAIRMAN IMBRECHT: I guess my preference would
18 be to try to -- particularly after this rather long
19 discussion, try to move some resolution, and I'm going to
20 just offer a suggestion and see where we stand at this point.

21 My suggestion would be that we modify Commissioner
22 Schweickart's motion to direct the Executive Director to
23 handle this matter consistent with other staff analysis
24 reports in terms of distribution, but delete the reference
25 to as currently revised, and I guess rest with the hope

1 that he's going to rely upon the recommendation of the
2 author of the report as to content on this issue.

3 The reason that I don't think it's important to
4 have the sensors is in are one, we've heard from the
5 author that we're talking about a diminimous amount of
6 energy. It seems to me that is a very legitimiante
7 consideration as to why it's even necessary to be taking
8 on this issue.

9 Secondly, from my personal viewpoint, and this is
10 not in any way, and I want to make it very clear, meant
11 to be a critique of staff. I think that there are unclean
12 hands from a legal equity standpoint on both sides of some
13 of this discussion, but I think that enough substantive
14 questions as to methodology have been raised, as to
15 render in my mind substantial questions as to the
16 conclusions drawn by the work in this section of the
17 report, I should say.

18 I might ultimately, upon a rehearing of the
19 issue, back staff 100 percent, I just don't know. I don't
20 want to devote an incredible amount of time to it now. I
21 would suggest as well that the Executive Director put this
22 issue on a list of other work plan issues that could be
23 presented to the Commission as optional direction for the
24 coming fiscal year, and we may choose, based upon priorities,
25 to determine that it would be useful for further analysis

1 of these sensors, and also daylighting controls, and other
2 appropriate technologies.

3 We may also determine that because of diminimous
4 energy savings involved, that it would not be a good
5 utilization of our staff. That's an issue we can deal
6 with in the context of the work plans, but I think that
7 gets us off center at this point, and I guess maybe the
8 easiest way to ask that question is I think what I just
9 enunciated is consistent with what Commissioner Commons
10 indicated as one of the two options he would accept.

11 I don't know, Commissioner Gandara, did you
12 give me your proxy by saying you don't care?

13 COMMISSIONER GANDARA: I'm going to abstain.

14 CHAIRMAN IMBRECHT: Okay. I guess it comes down,
15 then, to how Commissioner Schweickart and Commissioner
16 Crowley feel. I'm saying in effect, without objection,
17 I'm going to make that motion, but --

18 COMMISSIONER SCHWEICKART: Well, I don't know,
19 frankly, without a great deal more effort, where we can
20 go from here. I think we're frankly pulling back from --
21 well, there are two things that bother me, Mr. Chairman,
22 let me say this, before I state where I am on your
23 suggestion.

24 I think that impliedly, without any negative
25 connotation, you have, in your own mind, drawn the

1 conclusion that the arguments made by industry in fact
2 carry more weight than the arguments which have not been
3 made by the staff in rebuttal. Dan has not had an
4 opportunity in fact to respond to --

5 CHAIRMAN IMBRECHT: Well, I'll provide that
6 opportunity if you want, that's fine.

7 COMMISSIONER SCHWEICKART: Well, let me suggest
8 that that's going to be another two hours at least.

9 COMMISSIONER COMMONS: Well, this wasn't the
10 last item.

11 COMMISSIONER CROWLEY: That's why I wanted to --

12 COMMISSIONER SCHWEICKART: That's one thing that
13 concerns me in terms of where you're coming down. The
14 second one is that I think we are dealing with something
15 which on the whole is almost incidental to the main thrust
16 of a report which should have been released virtually a
17 year ago now, and it's regrettable, again, as I say in
18 my view, that we've ended up in this circumstance, and I
19 think it was frankly, partly at least, the fault of the
20 Commission at the outset that we are in this position.

21 At this point, I don't think that we've provided
22 the Executive Director a great deal of guidance in how to
23 deal with this. I would be willing, if they sense of the
24 Commission is to move in that direction, to remove the
25 clause, whatever it is in the --

1 CHAIRMAN IMBRECHT: As currently revised.

2 COMMISSIONER SCHWEICKART: As currently revised,
3 and at the same time, suggest that a criteria of minimum
4 staff effort be a heavy consideration in his determination
5 of where to go from here, and I would think that the
6 inclusion of a caveat regarding the validity of economic
7 data in the intervening year changing is something which
8 should be strongly considered by the Executive Director.

9 At this point, I think that's the least of the
10 unsatisfactory options which exist, and in that sense, I
11 then amend my motion with the concurrence of whoever it
12 was that dared second it--

13 CHAIRMAN IMBRECHT: Commissioner Commons, I
14 believe, seconded it.

15 COMMISSIONER SCHWEICKART: -- to remove that
16 clause.

17 COMMISSIONER CROWLEY: Who seconded it?

18 CHAIRMAN IMBRECHT: I think it was Commissioner
19 Commons.

20 COMMISSIONER COMMONS: Yes, on the general policy
21 of seconding all motions.

22 CHAIRMAN IMBRECHT: That's right. So without
23 objection from Commissioner Commons, the motion in its
24 revised form is now before us. So, that would simply
25 direct the Executive Director to handle this matter

1 consistent with other staff analysis and reports in terms
2 of distribution and publication, and then, obviously, you
3 draw your judgment from discerning how this conversation has
4 gone.

5 Commissioner Schweickart has one view about how
6 to handle it, I obviously have a slightly different one,
7 but -- assumptions draw the conclusions and it's -- well,
8 enough said.

9 Okay, that's I think where we are. The motion
10 is before us, any further comments? Is there objection to
11 a unanimous roll call? Commissioner Gandara abstains?
12 Okay, ayes 4, noes none, the motion is adopted.

13 I guess that's not a totally satisfactory
14 response to everyone, but I guess we'll stay tuned slightly
15 on it.

16 EXECUTIVE DIRECTOR WARD: Mr. Chairman, I think
17 there are at least -- and I'm not sure how long we're
18 going to continue tonight, but I do know of at least five
19 items that I believe can all be handled on a fairly routine
20 basis. They're all contracts. All of them, I understand,
21 have been through Policy Committee, all of them are ongoing
22 contracts, in other words, they're something that you'll
23 already be familiar with.

24 CHAIRMAN IMBRECHT: Let me announce, yeah, fine.
25 For the public as well, we're going to reconvene tomorrow

1 morning at 9:00 a.m. as opposed to 10:00 a.m. I have
2 cleared that with General Counsel. That's an effort to
3 try to get through our agenda. So 9:00 a.m. sharp, we're
4 going to start when we have three Commissioners.

5 EXECUTIVE DIRECTOR WARD: Okay. The contract
6 numbers on your agenda are No. 9, it's \$42,315 with the
7 Building Standards Commission for review and publication
8 of new standards. This is an ongoing contract. I don't
9 believe there's any controversy associated with it.

10 No. 14, time extension and amendment to contract
11 with V/ARS. This is for another 60 days, we had not gone
12 out to bid for a contract for hearing reporter services,
13 and they are prepared to offer comment on that if it's
14 necessary.

15 Item No. 15 is a contract with the Department of
16 Consumer Affairs, Division of Investigation for selection
17 of samples of insulation. I think you're generally
18 familiar with that issue. No. 20 is an annual \$5,000
19 contract with Department of Fish and Game to provide
20 biological data for power plant siting cases, that's No. 20.

21 No. 21 is \$10,000 with the Franchise Tax Board
22 for supplemental data entry services, and those five items,
23 I would request the Commission handle on a consent basis,
24 unless --

25 CHAIRMAN IMBRECHT: Let me ask why 19 is not

1 included in that list.

2 EXECUTIVE DIRECTOR WARD: I was trying to be
3 very conservative. The contract with Online Computer
4 Center, this was something that was before you before,
5 we were having a problem basically with contracts, and
6 the contract dealt with Online's legal requirements versus
7 the state's legal requirements, that has now been resolved
8 and Online will contract with the state's caveats, and
9 it's --

10 CHAIRMAN IMBRECHT: Okay. Unless there's a
11 Commission objection, I'm going to suggest that we add that
12 particular one to the list of five that you have indicated
13 as consent, because I have looked at it, and I know it's
14 pretty simple.

15 COMMISSIONER COMMONS: Can you repeat those
16 numbers, please?

17 CHAIRMAN IMBRECHT: The numbers are 9, 14, 15,
18 19, 20, and 21, it will be six items that we can deal with
19 quickly. I will move to get this before us that we adopt
20 Items 9, 14, 15, 19, 20, and 21 as proposed, seconded by
21 Commissioner Commons. If you'll all take a look at it
22 for a moment. Do I hear objection? Let me ask -- just a
23 moment, on Item 14, Nancy Farley is present, are you
24 speaking in support of the motion?

25 MS. FARLEY: Could I have 60 seconds?

1 EXECUTIVE DIRECTOR WARD: She has been waiting
2 all day.

3 CHAIRMAN IMBRECHT: Yes.

4 MS. FARLEY: I just wanted to advise the
5 Commission that the reporters that report the hearings do
6 have playback capabilities, this is a question that has
7 come up, and they will play back the record when so directed.

8 Also, I wanted to advise that during the contract
9 period, it was suggested that the Commission would prefer
10 to have smaller microphones because two microphones are
11 used, one for the PA system and one for the recording
12 system. We are responsible only for the recording system,
13 and voluntarily elected to expend \$600 for smaller
14 microphones to improve the aesthetics of the room.

15 We have enjoyed reporting the Commission hearings
16 and would be pleased to continue doing this during the
17 proposed contract extension.

18 CHAIRMAN IMBRECHT: Thank you very much. Okay,
19 is there objection to a unanimous roll call? Hearing none,
20 ayes 5, noes none, Items 9, 14, 15, 19, 20, and 21 adopted
21 as presented.

22 EXECUTIVE DIRECTOR WARD: Okay, Item No. --

23 CHAIRMAN IMBRECHT: Let's see, 6 and 11 go over.
24 Excuse me, go ahead, let's try to take the other small
25 ones if we can.

1 EXECUTIVE DIRECTOR WARD: Certainly, and I
2 didn't mean to infer that by virtue that --

3 CHAIRMAN IMBRECHT: That the others are
4 controversial, I suspect.

5 EXECUTIVE DIRECTOR WARD: That the others are
6 controversial, it just was something that I was trying to
7 be very conservative about. No. 7, I think Commissioners
8 are generally familiar with it. It's a \$100,000 contract
9 with California Building Officials, and this is to
10 develop a training guide and a program for building
11 department personnel to be using during the period we have
12 of voluntary report system -- a voluntary system on the
13 nonresidential building standards.

14 It has been through a Policy Committee --

15 CHAIRMAN IMBRECHT: Okay, fine. Let me try to
16 move this along. What I was going to suggest is that we
17 take all the smaller dollar figure ones, but before you do,
18 let me just ask, is there any Commissioner that would
19 object to handling this one expeditiously, Item No. 7.

20 COMMISSIONER GANDARA: I have a question. Is
21 this sole source?

22 EXECUTIVE DIRECTOR WARD: Yes, it is, and --

23 CHAIRMAN IMBRECHT: Let's set that one aside.
24 Let's turn to Item 8, \$16,000 with Guttman and MacRitchie
25 to provide technical advice on HVAC systems, ventilation

1 requirements and so forth.

2 EXECUTIVE DIRECTOR WARD: Okay. I'll have Bill
3 Pennington give you a brief overview.

4 MR. PENNINGTON: The purpose of this contract is
5 to continue technical reviewer and technical analysis on
6 special issues related to HVAC systems, particularly indoor
7 air quality issues for continuing with the nonresidential
8 building standards program.

9 The intention of this contractor's work is to
10 review staff analysis and the area contractors analysis as
11 well as to provide special advice. This is one of six
12 technical reviewer contracts that we previously had. The
13 conclusion is, at this point, that we have adequate
14 background in the other subject matters, and we do not
15 propose additional contracts on any of those other five
16 contracts, but that in the area of HVAC analysis, it's
17 critical for the Commission to continue to have this kind
18 of service.

19 CHAIRMAN IMBRECHT: Questions or concerns?

20 COMMISSIONER GANDARA: One question. This is the
21 same -- the old contracts were for \$15,000, is that
22 correct?

23 MR. PENNINGTON: This is a new contract.

24 COMMISSIONER GANDARA: Okay. This is -- the
25 ones that we had five contracts for \$15,000?

1 MR. PENNINGTON: We had six contracts.

2 COMMISSIONER GANDARA: Six, okay, so the increase
3 is based on what?

4 MR. PENNINGTON: Well, I believe the old contract
5 was actually for \$18,500 in fiscal year 83/84. We've
6 scoped the work and believe that \$16,000 is appropriate
7 this year.

8 COMMISSIONER GANDARA: Now, as I understand, when
9 we undertook these Technical Advisory Group contracts that
10 there was a certain expectation of a level of involvement,
11 review of documents, and so forth, based on that time and
12 expectation of 22 building standards -- at least a
13 combination, at least, of 10 or 12.

14 Since we are now -- have reduced considerably
15 the expectations of what we were going to do, has that
16 not reduced the effort in this area as well, or --

17 MR. PENNINGTON: Well, I think that that has
18 contributed to not needing the other contracts. We did
19 run into some particular difficulties relating to indoor
20 air quality, and the office standards. Basically, there's
21 been a policy conclusion that we ought to, where possible,
22 apply ASHRAE 62-81 to new building standards, and HVAC
23 provisions, and this particular contractor has expertise in
24 that subject matter.

25 CHAIRMAN IMBRECHT: Okay. We'll hold that for a

1 generic motion. No further questions or comments on this,
2 and that's generally okay. Next would be Item 11.

3 EXECUTIVE DIRECTOR WARD: That's for tomorrow.

4 CHAIRMAN IMBRECHT: No, that -- we made a mistake,
5 it's Item 10 that's for tomorrow, it's item 11 I believe.

6 COMMISSIONER COMMONS: That's held for tomorrow
7 too.

8 EXECUTIVE DIRECTOR WARD: Yeah, 11 is tomorrow,
9 that's Mr. Klepper, and he has got another item also.

10 CHAIRMAN IMBRECHT: All right, fine.

11 EXECUTIVE DIRECTOR WARD: So we go to Item No. 12
12 in keeping with the reduced dollar amounts. This is \$8,000
13 sole source contract to conduct a lenders workshop, as
14 indicated, and it deals with the home energy rating of --
15 home labeling program, excuse me.

16 There's been a substantial amount of research done
17 on finding someone who had the talents to deal with lenders
18 and also the local governments involved, and the individual
19 named here is -- has been, I guess, been given very high
20 marks, and is also the only person that has had this
21 kind of experience that the Conservation Division was able
22 to come up with.

23 I understand that the individual is very good. If
24 Bill Pennington wants to add any more to that, based on
25 your questions, feel free.

1 CHAIRMAN IMBRECHT: Let me ask, this individual
2 has been involved in the other state programs enunciated
3 in the survey of prior work?

4 MS. GRIFFIN: Yes, Ms. Shuck has been.

5 CHAIRMAN IMBRECHT: So she's basically well
6 known national.

7 MS. GRIFFIN: She is the national expert on
8 home energy ratings. In particular, she started the
9 program at the Department of Energy a number of years ago
10 doing the basic research, then moved into working with
11 lenders. She has an award from the FNMA for her work in
12 the secondary mortgage market on specifically the issue
13 of incorporating home energy ratings into appraisals of
14 housing. She's worked with all of the other states as well.

15 CHAIRMAN IMBRECHT: Okay, questions?

16 COMMISSIONER GANDARA: Is she affiliated with
17 anybody, is she an independent consultant?

18 MS. GRIFFIN: She is now an independent
19 consultant. She has been with the Department of Energy
20 and with the Alliance to Save Energy.

21 CHAIRMAN IMBRECHT: Further questions? Okay,
22 we'll hold that one for the generic motion as well.

23 EXECUTIVE DIRECTOR WARD: Item No. 13 is to
24 develop some technical information associated with the
25 demand forecast, and Thom Kelly is here to discuss it

1 specifically if there's any questions. I don't believe
2 there's any controversy.

3 CHAIRMAN IMBRECHT: \$4,993 to integrate crop
4 projections into the existing Agricultural and Water
5 Pumping Code. Any questions from Commissioners? These
6 have all been reviewed by the Policy Committee.

7 EXECUTIVE DIRECTOR WARD: That's my understanding.

8 CHAIRMAN IMBRECHT: 17 is grants from PVEA and
9 I'm going to hold that.

10 COMMISSIONER GANDARA: Is that the BR Policy
11 Committee, what does that fall under?

12 CHAIRMAN IMBRECHT: That would be ER, I would
13 think, right? It hasn't come to me, so I --

14 COMMISSIONER COMMONS: Well, it's come to us.

15 CHAIRMAN IMBRECHT: Well, fine, then I presume
16 that you --

17 COMMISSIONER COMMONS: Remember when we did this,
18 Chuck?

19 CHAIRMAN IMBRECHT: I certainly do. It's
20 indelibly etched in my memory. Okay, we have a -- that's
21 it, as I see it.

22 EXECUTIVE DIRECTOR WARD: Okay.

23 CHAIRMAN IMBRECHT: The others are grants, and I
24 think we may want to take a little more time, so I would
25 move the adoption of Items 8, 12, and 13 as presented. Is

1 there a second? Seconded by Commissioner Commons. Is
2 there objection to a unanimous roll call? Hearing none,
3 ayes 5, noes none on Items 8, 12, and 13.

4 Let's see.

5 EXECUTIVE DIRECTOR WARD: Do you want to return
6 to Item 7 which is the CALBO contract?

7 CHAIRMAN IMBRECHT: Sure, that would be fine.

8 COMMISSIONER COMMONS: I thought we were going to
9 try to adjourn at 6:30.

10 CHAIRMAN IMBRECHT: Well, we were, let me just
11 suggest the following, and see if this would be -- if we
12 try to take Items 7, 17, and 18, that would leave us
13 tomorrow with the items we have intentionally put over,
14 the executive session items that are required, plus the
15 difficult ones of the SCE load management and the OIR 2
16 proceedings.

17 What I'm saying is I think even with getting
18 rid of those three, we've still got a pretty heavy agenda
19 for tomorrow, so --

20 COMMISSIONER COMMONS: I'll move all three of
21 them.

22 CHAIRMAN IMBRECHT: Second. Okay.

23 COMMISSIONER GANDARA: What are we moving?

24 CHAIRMAN IMBRECHT: 7, 17, and 18. Okay, let's
25 have a brief presentation on each of those, and I'll ask for

1 questions as they come up.

2 MR. KELLY: Contract No. 7 is with CALBO, which
3 is the California Building Officials. It's a contract and
4 it was produced to develop building industry training
5 guide, and a comprehensive building officials training
6 program for the new office building energy standards that
7 were approved by the Commission this year.

8 The major products of the contract are a
9 training guide for the building industry to establish a
10 uniform base to build all training programs for architects,
11 engineers, et cetera. A building official training
12 curriculum, a set of videotape training seminars, and a
13 workbook associated with those videotapes, and a certifica-
14 tion examination to show that the building officials had
15 achieved a certain level of knowledge of the new building
16 standards.

17 CHAIRMAN IMBRECHT: Fine.

18 MR. ALVAREZ: Item No. 17 is a request from the
19 staff to approve five grants to -- one for the City of
20 Santa Barbara, one to the North Coast Energy Services, the
21 City of Desert Hot Springs, the San Bernardino West Side
22 Community Development Corporation, and the Pacific
23 Management Dynamics Corporation.

24 These particular grants are under our rental
25 sector program where we're providing funding for the

1 development of an umbrella group to work with owners of
2 less than 10 units of rental property, to facilitate their
3 energy conservation implementation process.

4 CHAIRMAN GANDARA: No. 18.

5 MR. ALVAREZ: No. 18 is a request from the staff
6 for three streetlight conversion projects. I should
7 mention that there is a memo being distributed to you
8 that identifies Foster City's withdrawal from the
9 streetlight application program. Their City Council
10 chose not to go forward with this project, so the staff
11 is withdrawing their name from the process.

12 The remaining two cities are the City of Alameda
13 and San Marcos which are requesting interest subsidies.
14 The City of Alameda and Mount San Antonio College are
15 requesting engineering studies to be undertaken simultaneously.

16 CHAIRMAN IMBRECHT: Okay, questions? The motion
17 is before us. Commissioner Schweickart?

18 COMMISSIONER SCHWEICKART: Let me just make sure
19 here for the record, we're --

20 CHAIRMAN IMBRECHT: Items 7, 17, and 18.

21 COMMISSIONER SCHWEICKART: And 18 is amended to
22 a total of \$132,437 and strike --

23 MR. ALVAREZ: \$132,437 in interest subsidies
24 plus \$20,000 in engineering studies. So the total is
25 \$152,437.

1 REPORTER'S CERTIFICATE

2
3 THIS IS TO CERTIFY that I, Patricia A. Petrilla,
4 Reporter, have duly reported the foregoing proceedings
5 which were had and taken in Sacramento, California, on
6 Tuesday, June 19, 1984, and that the foregoing pages
7 constitute a true, complete and accurate transcription of
8 the aforementioned proceedings.

9 I further certify that I am not of counsel or
10 attorney for any of the parties to said hearing, nor in any
11 way interested in the outcome of said hearing.

12
13 Patricia A. Petrilla

14 Reporter

15 Dated this 28th day of June, 1984.
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