

STATE OF CALIFORNIA  
ENERGY RESOURCES CONSERVATION  
AND DEVELOPMENT COMMISSION

CALIF. ENERGY COMMISSION

DEC 3 1985

RECEIVED IN DOCKETS

BUSINESS MEETING

1516 Ninth Street  
First Floor Hearing Room  
Sacramento, California

Wednesday, November 27, 1985

10:00 O'Clock A.M.

**K. & T. RECORDING**

**MADONNA KUSHEN**

**EDYTHE TANNER**

7712 GARDEN GATE 969-4182  
CITRUS HEIGHTS, CA 95610

**1** COMMISSIONERS PRESENT

- 2** Charles R. Imbrecht, Chairman  
**3** Barbara Crowley, Vice-Chairman  
**4** Geoffrey D. Commons  
**5** Arturo Gandara  
**6** Warren D. Noteware

**7** EX OFFICIO

- 8** Bill Foley

**9** STAFF PRESENT

- 10** Randall M. Ward, Executive Director  
**11** Bill Chamberlain Nancy Deller  
**12** Mike Jaske  
**13** Tom Gorin  
**14** Karen Griffin  
**15** Arlene Ichien  
**16** Susan Bakker  
**17** Bill Pennington  
**18** Ray Tuvell

**19** PUBLIC ADVISER

- 20** Gary Heath

**21** ALSO PRESENT

- 22** Nancy Deller, Envirosphere  
**23** Alec Jenkins, Envirosphere  
**24** Peter Baumgartner, Pacific Gas and Electric  
**25** Mike Gardner, Southern California Edison

ALSO PRESENT (CONTINUED)

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

Dian Grueneich, Pacific Thermonetics  
David Marcus, Pacific Thermonetics  
Pam Pagni, Crockett Citizen  
Douglas Tubb, Crockett Power Plant Committee  
Stave Tabor, PAG

I N D E X

	<u>Page</u>
1	
2	
3	1
4	1
5	
6	
7	
8	1
9	2
	3
10	
11	
12	
13	
14	
15	3
16	4
	5
	11
17	
18	
19	
20	
21	
22	11
23	12
24	12
	14
25	

I N D E X

	<u>Page</u>
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
Agenda Item 4 - Reassignment of Contractor (original amount of contract \$1,470,000) from Sierra Forest Prod- ucts to Sierra Power Corporation. Randall Ward, Executive Director Commission Order	14 15 16
Agenda Item 5 - Contract, \$19,000, with Jon Elliott and Associates to provide legal services and advice in con- nection with energy-related pro- ceedings before the Public Utilities Commission Bill Chamberlain, Staff Counsel Peter Baumgartner, PGandE Commission Order	16 16 18 26
Agenda Item 6 - Amendment to Contract with Michael Heintz to add \$12,000 and extend the term of the contract to June 30, 1986, to provide legal services relating to review and processing of contracts, loans and grants. Bill Chamberlain, Staff Counsel Commission Order	28 29
Agenda Item 7 - Withdrawn	
Afternoon Session	36
Agenda Item 8 - Commission Consideration and Possible Adoption of Proposed Building Standards for Retail and Wholesale Buildings. Randall Ward, Executive Director Commissioner Commons Steve Tabor Discussion Commission Action	36 37 38 38 47
Agenda Item 9 - Under Separate Cover	
Agenda Item 10 - Consent Calendar Commission Action	30

I N D E X

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

	<u>Page</u>
Agenda Item 11 - Approval of Minutes	30
Atenda Item 12 - Commission Policy Committee Reports Chairman Imbrecht	31
Agenda Item 13 - General Counsel's Report Bill Chamberlain, Staff Counsel	32
Agenda Item 14 - Executive Director's Report Randall Ward, Executive Director	48

P R O C E E D I N G S

---o0o---

1  
2  
3 CHAIRMAN IMBRECHT: Good morning. I ask you  
4 all to please rise and join us in the Flag Salute.

5 Commissioner Noteware, would you please lead us  
6 in the Pledge of Allegiance.

7 COMMISSIONER NOTEWARE: I pledge allegiance to  
8 the Flag of the United States of America and to the Republic  
9 for which it stands, one nation, under God, indivisible,  
10 with liberty and justice for all.

11 CHAIRMAN IMBRECHT: Okay. We have a full agenda.  
12 I understand Commissioner Commons will be joining is a bit  
13 later, and I believe Commissioner -- he's joining us immedi-  
14 ately. Commissioner Gandara will be here shortly.

15 The first item to come before us is Consideration  
16 and Possible Adoption of Committee Recommendations on the  
17 award of \$618,144 in Federal Solar Energy and Energy  
18 Conservation Bank Cycle 3 funds to 12 separate projects.

19 Mr. Ward.

20 EXECUTIVE DIRECTOR WARD: Yes. Thank you,  
21 Mr. Chairman, and good morning, Commissioners. I believe  
22 all Commissioners' offices have been informed about this  
23 issue. The Loans and Grants Committee is in concurrence  
24 and provided specific direction to staff on it as well.

25 Karen Griffin from the Conservation Division

1 is available to answer any questions that you have.

2 CHAIRMAN IMBRECHT: Ms. Griffin.

3 MS. GRIFFIN: Thank you. This is the third cycle  
4 of the Energy Bank which we are proposing for award today,  
5 going to 12 projects throughout the state.

6 This \$618,000 leverages nearly \$2 million in  
7 commitments from these local communities to retrofit pri-  
8 marily low-income housing, but also some nonprofit organiza-  
9 tions and mobile homes. There will be energy savings  
10 resulting about \$750,000 per year.

11 Seven of the grantees have won previous awards,  
12 five of them are new proposals. We ask that you approve  
13 the recommendations, and I'm available to answer any speci-  
14 fic questions you might have.

15 CHAIRMAN IMBRECHT: Commissioner Commons.

16 COMMISSIONER COMMONS: What is the longest pay-  
17 back on a project that's being proposed?

18 MS. GRIFFIN: The longest funded project I believe  
19 is Kings County at 4.1 years. That is in your packet.

20 Whoops. Berkeley is the longest --

21 COMMISSIONER CROWLEY: Four point three --

22 MS. GRIFFIN: -- at 4.8. Berkeley is the longest  
23 at 4.8. I'm sorry.

24 COMMISSIONER COMMONS: Nothing over five years,  
25 then.

1 MR. GRIFFIN: No, sir.

2 CHAIRMAN IMBRECHT: Further questions?

3 COMMISSIONER CROWLEY: Mr. Chairman, if there  
4 are --

5 CHAIRMAN IMBRECHT: Commissioner Crowley.

6 COMMISSIONER CROWLEY: If there are no further  
7 questions, I would move to accept the Conservation Bank  
8 Cycle 3 Resolution that is included in the packet, which  
9 is the distribution of funds and the approval.

10 CHAIRMAN IMBRECHT: Fine. Moved by Commissioner  
11 Crowley.

12 COMMISSIONER NOTEWARE: I'll second it.

13 CHAIRMAN IMBRECHT: Seconded by Commissioner  
14 Noteware. Is there further discussion?

15 Does anyone wish to be heard on this item?

16 Is there objection to a unanimous roll call?

17 Hearing none, "Aye's" four, "No's" none. The  
18 motion is carried, and the grants are approved as proposed.

19 The second item to come before us today is  
20 consideration of a Contract for \$392,000 in fiscal year  
21 1985-6, as well as approximately \$400,000 for the following  
22 fiscal year, which I am sure is conditioned upon favorable  
23 approval of the Governor's budget, with Envirosphere  
24 Company to provide technical assistance to evaluate, select,  
25 cofund, and analyze the results of research, development

1 and demonstration projects for a wide variety of conven-  
2 tional and alternative energy technologies.

3 Mr. Ward.

4 EXECUTIVE DIRECTOR WARD: Yes, Mr. Chairman.  
5 This is primarily technical support for both the Naylor  
6 Program and the Geothermal Resources Development Program.  
7 Nancy Deller from the Small Power Producers and Alec  
8 Jenkins are available to answer any questions.

9 This is a contract that you've seen before in  
10 a similar context.

11 CHAIRMAN IMBRECHT: Are there questions?

12 Commissioner Commons.

13 COMMISSIONER COMMONS: Will this contract cover  
14 all of the projects proposed under the Naylor Bill?

15 MS. DELLER: Yes. It will.

16 COMMISSIONER COMMONS: What outside parties from  
17 the Commission sat in on the Selection Committee?

18 MS. DELLER: What outside parties, outside of  
19 the Commission --

20 COMMISSIONER COMMONS: That's right.

21 MS. DELLER: -- sat on the Selection Committee  
22 for this contract? None outside of the Commission.

23 COMMISSIONER COMMONS: What were the -- who  
24 were the representatives from Conservation or Load  
25 Management who sat on the Selection Committee?

1 MS. DELLER: There were none from Conservation  
2 or Load Management.

3 COMMISSIONER COMMONS: In the criteria, what  
4 was the expertise or what was -- what were the qualifica-  
5 tions of the different parties for conservation and load  
6 management?

7 MS. DELLER: We never envisioned this technical  
8 assistance contract providing the technical assistance  
9 for conservation and load management. That was raised  
10 as an issue early on in drafting the RFP.

11 COMMISSIONER COMMONS: I have no other questions.

12 CHAIRMAN IMBRECHT: Then as a consequence of  
13 that, I think you might want to amend your initial answer,  
14 that this contract cover all of proposed Naylor?

15 MS. DELLER: It has the ability to bring on any  
16 experts for anything that is brought up that we don't have  
17 covered with a contractor. The -- we have the ability  
18 to bring on expert subcontractors under this contract to  
19 handle anything that can't be handled by the people onboard  
20 under the contract.

21 CHAIRMAN IMBRECHT: Well, I think the point that  
22 Commissioner Commons is trying to raise is one that I think  
23 needs to be reiterated, and that is that the Naylor program  
24 does envision or contemplate the possibility of funding  
25 conservation, load management, mode-shaping demonstrations,

1 and technologies as well.

2 MS. DELLER: Right. And we were expecting assis-  
3 tance from the Conservation --

4 CHAIRMAN IMBRECHT: And --

5 MS. DELLER: We were expecting assistance from  
6 the Conservation Division in doing that now in those proj-  
7 ects.

8 CHAIRMAN IMBRECHT: Okay. Commissioner Commons.

9 COMMISSIONER COMMONS: Yes. Mr. Chairman, I'd  
10 like to request that this item be put over for two weeks.  
11 I think, as pertaining to the Naylor portion, until we  
12 adopt an RFP, it is premature to say how we are going to  
13 implement the program when we haven't even accepted the  
14 RFP as to how we are to proceed, and I'd like to --

15 CHAIRMAN IMBRECHT: I'm not sure I see how the  
16 two are related, frankly.

17 COMMISSIONER COMMONS: Well, we're going to  
18 implement Naylor as to how we design the RFP, and what --  
19 how we approach Naylor clearly has impact as to the need  
20 for the type of technical assistance.

21 CHAIRMAN IMBRECHT: Commissioner Crowley.

22 COMMISSIONER CROWLEY: Mr. Chairman, I see this  
23 as a structural move that simply puts in place the mechanism  
24 for proceeding with this, and because of the time it takes  
25 to do a contract procedure, it seems to me inappropriate

1 to delay this, and I believe it would be appropriate that  
2 we deal with it today.

3 CHAIRMAN IMBRECHT: I'm generally of that judg-  
4 ment as well. I -- I mean, Commissioner Commons, I under-  
5 stand your sensitivity and concern. I just, you know,  
6 want to reiterate to you that -- that I don't think there  
7 is any dispute about the inclusion of those technologies  
8 within the scope and consideration of this program.

9 And as I recall as well, and I think Ms. Deller  
10 can probably expand on this, that this is really sort of  
11 a master contract. As a practical matter it does contem-  
12 plate at the direction of the Commission and the respon-  
13 sible committees the subcontracting with a variety of other  
14 technical experts, depending upon the needs of the type of  
15 proposals that are being evaluated and the scope of them,  
16 so I frankly think that we ought to go forward just so  
17 that we don't further burden the next meeting, and I don't  
18 think a case has been made to delay it.

19 COMMISSIONER CROWLEY: I really believe that  
20 this is not threatening to the point of view you are  
21 espousing. I believe that it is not at the level of making  
22 a decision that speaks to what you're concerned about,  
23 and which I think we are all concerned about.

24 COMMISSIONER COMMONS: Well, that -- Commissioner  
25 Crowley, that's one aspect, but we have not yet had a

1 discussion as to the procedure as to how we ought to  
2 implement Naylor, and I have been, I think I stated last  
3 week, of the opinion that in the formulating of our --  
4 where the need is for funding, in terms of technologies --

5 COMMISSIONER CROWLEY: Um-hum.

6 COMMISSIONER COMMONS: -- that it is very impor-  
7 tant that we bring in to the Commission expertise from  
8 a variety of sources, with emphasis on the utilities and  
9 our large engineering firms, and I do not see that inte-  
10 grated at this time, either within this, which is one  
11 specific firm, and I'm concerned that we will be spending  
12 a lot of dollars on technical assistance, where if we  
13 utilize the people that are out in the field who want to  
14 work with this Commission that we will not have to be  
15 expending some of the dollars that are -- are contemplated  
16 here.

17 When you're talking about doing an R&D project  
18 where something hasn't been developed in some instances,  
19 it's very strange to have someone critique and say whether  
20 or not that this should go ahead.

21 Rather, what you are trying to do is to identify  
22 problem areas --

23 CHAIRMAN IMBRECHT: Have somebody do what?

24 COMMISSIONER COMMONS: -- where you need to have  
25 the development, and that is usually best done by having

1 the people who are heavily invested in doing R&D in the  
2 state, particularly the utilities, saying here are the  
3 areas that we feel it's appropriate this Commission give  
4 some funding and some assistance and carve out those areas.

5 CHAIRMAN IMBRECHT: Well, Commissioner Commons,  
6 I'm just -- you are not aware of all of the work that's  
7 going on with respect to preparing for this program, and  
8 I can just note for you, for example, that a senior member  
9 of our staff the last two days has been in Southern  
10 California consulting with the R&D arms of the utilities  
11 in the Los Angeles area, and further consultation is con-  
12 templated with all similarly --

13 MS. DELLER: Well, we've met with PGandE, also,  
14 and --

15 CHAIRMAN IMBRECHT: -- pardon me, similarly  
16 situated interests.

17 I mean everyone is, frankly, in agreement with  
18 the point you're making, and it's being undertaken with  
19 some dispatch right now. So, I understand your point of  
20 view, but I think we ought to go forward with the contract,  
21 and I'm going to move approval of the contract.

22 COMMISSIONER CROWLEY: Second.

23 CHAIRMAN IMBRECHT: Seconded by Commissioner  
24 Crowley. Is there further discussion?

25 Does anyone else wish to be heard on this item?

1           Okay. Commissioner Commons.

2           COMMISSIONER COMMONS: Well, I'm going to be  
3 opposing the contract for three reasons. One is that  
4 a contract of his importance, our normal Commission pro-  
5 cedure has been to include people from outside of the  
6 Commission in the assessment of the contractors. This  
7 was not followed here.

8           Second is this contract only covers R&D within  
9 the technologies, and there is no program or nothing shown  
10 here that there will be any funding available for conserva-  
11 tion and load management analysis, nor was it a criteria  
12 in the selection of the firm.

13           Third is it is not clear that the funding level  
14 that is being proposed here is needed if we properly  
15 implement Naylor, and I think the Commission is -- on a  
16 fiscal basis, is not acting prudently by acting today  
17 rather than waiting two weeks to make an ascertainment  
18 as to the appropriate level of funding.

19           CHAIRMAN IMBRECHT: Okay. Lorri, would you please  
20 call the roll?

21           MS. GERVAIS: Commissioner Commons?

22           COMMISSIONER COMMONS: No.

23           MS. GERVAIS: Commissioner Noteware?

24           COMMISSIONER NOTEWARE: Aye.

25           MS. GERVAIS: Vice-Chair Crowley?

1 COMMISSIONER CROWLEY: Aye.

2 MS. GERVAIS: Chairman Imbrecht?

3 CHAIRMAN IMBRECHT: Aye. "Aye's" three, "No's"  
4 one. The motion is carried. The contract is approved.

5 COMMISSIONER CROWLEY: Chairman Imbrecht?

6 CHAIRMAN IMBRECHT: Commissioner Crowley.

7 COMMISSIONER CROWLEY: May I make a comment,  
8 that I think your information about how this is being dealt  
9 with is very helpful, and I'm wondering if that might not  
10 be an appropriate topic -- an update about that might not  
11 be an appropriate topic for our interim workshop type --

12 CHAIRMAN IMBRECHT: Without question. I just  
13 would mention to you as well that is already agendized  
14 for the December 11th meeting as the RFP, and it would  
15 be my expectation to get into a full discussion of --

16 COMMISSIONER CROWLEY: That would be appropriate.

17 CHAIRMAN IMBRECHT: -- the broad range of the  
18 program at that juncture.

19 And I might add, as well, that that will all  
20 be distributed with plenty of advance notice and oppor-  
21 tunity for other offices to review and comment.

22 COMMISSIONER CROWLEY: Thank you.

23 CHAIRMAN IMBRECHT: The third item to come before  
24 us is a proposed contract for \$350,000 with Universitywide  
25 Energy Research Group, which is an arm of the University

1 of California, to provide in-depth analysis of Energy  
2 Commission utility survey data bases to supply results  
3 needed to update the staff's end-use consumption indicators,  
4 improve estimate of historical energy conservation actions,  
5 and evaluate potential for major methodological improve-  
6 ments to the staff forecasting models, and perhaps we can  
7 also have help in phrasing some of these things in a fashion  
8 that is a little simpler.

9 But in any case, that's the item before us.  
10 Mr. Ward.

11 EXECUTIVE DIRECTOR WARD: Yes. Thank you,  
12 Mr. Chairman.

13 You will recall in your testimony and dealings  
14 with the fiscal committees in both houses of the Legislature  
15 this survey analysis was subject to fairly serious debate.  
16 It was characterized at that point in -- at that time as  
17 using information that we had collected through a variety  
18 of surveys in putting it together to serve as an analytical  
19 and policy tool for the Commission in passing some judg-  
20 ments and making recommendations.

21 Mike Jaske from the Assessments Division, and  
22 Tom Gorin, are here to talk about the contract, its full  
23 purpose, and answer any questions that you have.

24 MR. JASKE: Good morning, Mr. Chairman.

25 CHAIRMAN IMBRECHT: Mr. Jaske.

1 MR. JASKE: Commissioners. This contract is to  
2 build upon the capabilities that the staff has in analysis  
3 of utility survey data. Generally speaking, the staff  
4 does not have the resources to conduct the kind of in-depth  
5 studies that are necessary to really push the state of  
6 the art forward.

7 We have sufficient resources to process the sur-  
8 veys and in fact get them ready for processing, and extract  
9 the sort of routine items that are necessary for simple  
10 up-dates to our forecasting models, so this activity is  
11 designed to go beyond where we are now, to begin to answer  
12 if not resolve certain issues that face us, and provide  
13 a basis for improvements to the next round of forecasting  
14 models.

15 We have selected Universitywide Energy Research  
16 Group of the University of California to provide leader-  
17 ship over in effect a competitive bidding process within  
18 the University system. Attached in appendices to your  
19 package is a draft of the proposal they will send out to  
20 the full body of the University of California's soliciting  
21 proposals.

22 There are indications of desirable topics, and  
23 we are soliciting additional topics.

24 We will participate with the Universitywide  
25 Energy Research Group to pick those proposals which serve

1 our needs best, and then we will work with the individual  
2 proposers to see to it that their work provides some useful  
3 information to us and that we can in fact benefit from  
4 it.

5 CHAIRMAN IMBRECHT: Okay. Thank you. I think --

6 MR. JASKE: Any questions?

7 CHAIRMAN IMBRECHT: I think it's pretty straight-  
8 forward.

9 Commissioners, any questions?

10 Commissioner Noteward, I believe your Committee  
11 has reviewed this item?

12 COMMISSIONER NOTEWARE: Yes. I -- I move for  
13 its adoption.

14 CHAIRMAN IMBRECHT: Moved by Commissioner  
15 Noteware.

16 COMMISSIONER COMMONS: Second.

17 CHAIRMAN IMBRECHT: Seconded by Commissioner  
18 Commons. Is there discussion?

19 Does anyone wish to be heard on this item?

20 Is there objection to a unanimous roll call?

21 Hearing none, "Aye's" four, "No's" none. The  
22 motion is carried. The contract is approved.

23 The fourth item to come before us is Reassignment  
24 of a contract from the Sierra Forest Products to Sierra  
25 Power Corporation at the request of the original assignee.

1 The contract has been written with Energy Commission legal  
2 staff input to ensure that both Sierra Forest Products and  
3 the Sierra Power Corporation remain financially liable  
4 for repayment of SB 771 funds, which is, of course, the  
5 biomass program. In addition, staff is requesting that  
6 the Commisison delete performance Criterion B in Item 6  
7 of the contract agreement dealing with air pollution regu-  
8 lations.

9 Mr. Ward.

10 EXECUTIVE DIRECTOR WARD: Thank you, Mr. Chairman.  
11 I believe all Commissioners' offices have been briefed  
12 on this issue as well. If you have any questions, Ray  
13 Tuvell is available to answer them from the Development  
14 Division.

15 CHAIRMAN IMBRECHT: Does any member of the  
16 Commission have any concerns about this? I think it's  
17 pretty straightforward.

18 Commissioner Crowley?

19 COMMISSIONER CROWLEY: I would move the modifi-  
20 cation of the contract.

21 CHAIRMAN IMBRECHT: Thank you. Moved by  
22 Commissioner Crowley.

23 COMMISSIONER NOTEWARE: Second.

24 CHAIRMAN IMBRECHT: Seconded by Commissioner  
25 Noteware. Is there discussion?

1 Does anyone wish to be heard on this item?

2 Is there objection to a unanimous roll call?

3 Hearing none, "Aye's" four, "No's" none. The  
4 reassignment is approved.

5 Item 5 is a contract for \$19,000 with Jon Elliott  
6 and Associates to provide legal services and advice in  
7 connection with energy-related proceedings before the Public  
8 Utilities Commission.

9 Mr. Ward? Mr. Chamberlain, I believe.

10 EXECUTIVE DIRECTOR WARD: Yes. I believe  
11 Mr. Chamberlain is in the best position to respond to this  
12 contract, Mr. Chairman.

13 MR. CHAMBERLAIN: Yes. Mr. Chairman, the purpose  
14 of this contract is essentially to provide the Commission  
15 information on two proceedings in particular, one the OIR-2  
16 proceeding which as you know will be going to hearings  
17 in January and February, and the PGandE rate case which  
18 the Commission's Conservation staff has been preparing  
19 to participate in.

20 The contractor graduated from Boldt Hall in 1981  
21 and spent the first two-plus years of his practice working  
22 as advisor to the President of the Public Utilities  
23 Commission. He has, therefore, we believe, particular  
24 and special expertise in this area, and the ability to  
25 obtain information for us.

1           He is based in San Francisco and, therefore,  
2 doesn't have to commute very far to obtain information,  
3 either attending hearings or simply going and talking with  
4 people at the Public Utilities Commission and thereby  
5 giving us I believe a valuable source of information on  
6 these important proceedings.

7           The Pacific Gas and Electric Company has indi-  
8 cated that they have a concern in that the contractor has  
9 worked for the organization Toward Utility Rate Normaliza-  
10 tion, and their concern is that there not be a conflict  
11 of interest here.

12           I have been in contact with Mr. Elliott. We had  
13 discussed this in the initial negotiation of the contract,  
14 and it was my understanding, first of all, that nearly  
15 all of his work for that organization has been on telephone  
16 cases.

17           PGandE indicated today that there is one proceed-  
18 ing that they are involved in in which TURN is attemp-  
19 ting to get some documents from PGandE. This apparently  
20 is a general Public Records Act request that was originally  
21 directed at General Telephone Company. That was the --  
22 the beginning of it, and it's been expanded to cover 35  
23 utilities.

24           In any case, Mr. Elliott has indicated that he  
25 will give us a written statement that he will not work

1 for TURN during the pendency of this contract on any  
2 electric utility or gas utility matter, and he will not  
3 work on the PGandE rate case for any other client, in the  
4 event that this contract is approved.

5 I believe that resolves PGandE's problems. I  
6 will get that -- I will get that statement in writing  
7 before submitting the contract for General Services'  
8 review.

9 EXECUTIVE DIRECTOR WARD: My understanding is  
10 that Pacific Gas and Electric, although they should cer-  
11 tainly speak for themselves if there is a misrepresenta-  
12 tion here, would prefer that the Commission condition the  
13 contract based on the receipt of that letter.

14 CHAIRMAN IMBRECHT: Mr. Baumgartner, do you wish  
15 to be heard on this item?

16 MR. BAUMGARTNER: Thank you, Mr. Chairman. I  
17 regret that we have to appear in this matter. I want to  
18 point out one thing, that counsel said that Mr. Elliott  
19 had been in the past doing work for TURN. Our understand-  
20 ing is that he is still part of the -- of the counsel's  
21 staff, and that's reflected in his resume. There is  
22 nothing in the record that indicates anything to the con-  
23 trary.

24 I would agree with counsel that the -- if  
25 Mr. Elliott is willing to give the assurances, with one

1 addition, that we -- there would be no conflict under the  
2 Business and Professions Code.

3           The one addition we would like him to warrant,  
4 that he would not appear on behalf of any other client  
5 in any matter in which we had appeared for the Energy  
6 Commission, so that would include PGandE's OIR-2, and I  
7 think that that's clearly a -- well, let's say that I  
8 believe it's fairly clear from the cases under the  
9 Business and Professions Code that he could not, without  
10 full disclosure, make such an appearance in any event.

11           CHAIRMAN IMBRECHT: I --

12           MR. CHAMBERLAIN: Well, without full disclosure,  
13 that's true. My only concern about that particular --  
14 I mean every time I talk to Mr. Baumgartner, his concern  
15 expands.

16           Earlier it related to the PGandE rate case. Now  
17 it's the OIR-2 case, and my only concern about that is  
18 that that's a very long proceeding in which I'm not sure  
19 that a \$19,000 contract with the Commission is going to  
20 be adequate incentive to have someone say that they will  
21 never represent anyone in that case again.

22           I don't know how long that proceeding is going  
23 to continue, but it's been going on for quite a number  
24 of years.

25           CHAIRMAN IMBRECHT: Commissioner Crowley.

1           COMMISSIONER CROWLEY: Mr. Chairman, would you  
2 be willing to accept a motion to table this item so that  
3 it might perhaps be more fully explored --

4           CHAIRMAN IMBRECHT: I -- I don't --

5           COMMISSIONER CROWLEY: -- within the Budget and  
6 Management Committee, or whatever?

7           CHAIRMAN IMBRECHT: I'm not even sure we need  
8 a motion necessarily, but that certainly is my sentiment.  
9 I think we ought to put this item over for further discus-  
10 sion. I --

11          COMMISSIONER CROWLEY: Well, I would prefer to  
12 table it --

13          CHAIRMAN IMBRECHT: All right.

14          COMMISSIONER CROWLEY: -- if that is acceptable.

15          CHAIRMAN IMBRECHT: Fine. Certainly. I have  
16 no objection to that.

17          COMMISSIONER CROWLEY: And have it referred to  
18 Budget --

19          CHAIRMAN IMBRECHT: Budget Management.

20          COMMISSIONER CROWLEY: -- Budget Management?  
21 Okay.

22          COMMISSIONER COMMONS: Is that a motion?

23          COMMISSIONER CROWLEY: It was.

24          CHAIRMAN IMBRECHT: Moved by Commissioner Crowley.  
25 I'll second it.

1           COMMISSIONER COMMONS: Is the motion to table  
2 discussable?

3           CHAIRMAN IMBRECHT: I believe so, yes. That's  
4 debatable.

5           COMMISSIONER NOTEWARE: Mr. Chairman?

6           CHAIRMAN IMBRECHT: Yes.

7           COMMISSIONER NOTEWARE: I would like to ask  
8 Mr. Chamberlain if there is a down side, from his point  
9 of view, of tabling it for a while.

10          MR. CHAMBERLAIN: Well, if we -- if we don't  
11 have the contract approved today, he clearly will not be  
12 available to prepare it all for the hearings that are coming  
13 up in January on the OIR-2 case, and so that -- that's  
14 essentially the down side.

15          COMMISSIONER NOTEWARE: Thank you.

16          CHAIRMAN IMBRECHT: Commissioner Commons.

17          COMMISSIONER COMMONS: Under the contract that you  
18 have, we have affirmative testimony on load management  
19 that we would be preparing for the case. Is that envi-  
20 sioned to be included within this contract, or would our  
21 normal attorneys be handling that?

22          MR. CHAMBERLAIN: The purpose of the contract  
23 is to avoid our having to use the resources within our  
24 office for these cases, if that's -- I mean I'm not saying  
25 that we might never use them. There might be circumstances

1 in which we would have to, but the purpose of the contract  
2 is to minimize the use of our counsel because of the exten-  
3 sive demands being put on the office now by the siting  
4 cases.

5 COMMISSIONER GANDARA: Okay. I would like to  
6 -- I'd like to go along with you all on your tabling, but  
7 with a slight modification. The -- let me tell you where  
8 I'll be going, or where I'd like to see us go.

9 First of all, I agree with Peter Baumgartner.  
10 If someone is going to be representing us on OIR-2, he  
11 should not represent somebody else.

12 The second is, I'm not interested in us hiring  
13 an attorney for the PGandE rate case in general. I would  
14 be interested in us having representation before the PUC  
15 on the matters that we wish as a Commission to bring to  
16 them, and those are primarily in the areas of load manage-  
17 ment and possibly conservation.

18 CHAIRMAN IMBRECHT: Well, there's a few other  
19 issues besides those, Commissioner Commons, that we might  
20 have some interest in.

21 COMMISSIONER COMMONS: All right. But it would  
22 be -- it would be within the areas that this --

23 CHAIRMAN IMBRECHT: Other than the ones you are  
24 focused on, but --

25 COMMISSIONER COMMONS: All right. But there

1 may be other areas within the Commission that we wish to  
2 participate, but if we were to do so, the areas that I  
3 would want someone to follow would be not the issues of  
4 the case, but those areas that this Commission specifi-  
5 cally would have an interest in.

6 MR. CHAMBERLAIN: And that is indeed the purpose  
7 of the contract.

8 COMMISSIONER COMMONS: Well, it's too general,  
9 as far as I'm concerned, because it's tracking too much  
10 with too limited funding, and I'd like it to be much  
11 narrower if we were to do it with those -- with those  
12 aspects.

13 COMMISSIONER CROWLEY: If you were to support  
14 the motion, we would encourage you to suggest your com-  
15 ments to the committee for our consideration when we look  
16 at this.

17 COMMISSIONER COMMONS: Well, that's my problem,  
18 is where we have the strongest mandate in terms of parti-  
19 cipation is in load management, and neither one of the  
20 Commissioners on the Budget and Management Committee are  
21 part of that committee.

22 And what I would like to suggest is, Commissioner  
23 Noteware is both on the Load Management and on the  
24 Intergovernmental, and so he would be included under both  
25 areas that this contract would be going, and so that there

1 would be one management from the Budget and Management  
2 Committee, and Commissioner Noteware, who would -- it would  
3 be referred to.

4 CHAIRMAN IMBRECHT: I think we can deal with  
5 all of that outside of the Business Meeting. I mean the  
6 bottom line my perspective is I think that PGandE has  
7 raised some questions that I think need to be explored  
8 a little further, and I will just put it to you candidly,  
9 I -- I always err on the side of not allowing even an  
10 appearance of impropriety, and I frankly think that it's  
11 going to be difficult to distinguish clearly, even with  
12 the kinds of caveats that you've suggested, and it seems  
13 to me that if we were to reverse the circumstances and  
14 PGandE had outside counsel involved in PUC proceedings,  
15 and we were suggesting to hire such a counsel as well with  
16 similar stipulations, my guess is that there would be a  
17 fair degree of objection from other parties.

18 I think that there are enough attorneys in  
19 California that we can probably find someone that is not  
20 involved with any other party of interest, other than the  
21 Energy Commission, in those proceedings. I just have to  
22 say that. That's my general inclination on it.

23 So, I --

24 COMMISSIONER CROWLEY: Is the motion before us?

25 CHAIRMAN IMBRECHT: So, in any case, it's I think

1 fairly apparent that there is not support for the contract,  
2 at least at this point in time.

3 I'm open to further discussion on it, but I'm  
4 just not --

5 COMMISSIONER COMMONS: Well, I'd like to --

6 CHAIRMAN IMBRECHT: I'm not convinced myself,  
7 and so we can either table it, or we can simply not take  
8 action on it. Both have the same practical effect, so  
9 I think that we ought to send it someplace for some further  
10 review and consideration.

11 COMMISSIONER COMMONS: All right. Then I'd like  
12 to move to amend the tabling that it be referred to  
13 Commissioners Crowley and Noteware.

14 CHAIRMAN IMBRECHT: Is there a second?

15 Hearing none, the motion dies for lack of a  
16 second.

17 We'll turn to the main motion. Let's call the  
18 roll on the motion to table, and refer this to Budget and  
19 Management.

20 MS. GERVAIS: Commissioner Commons?

21 COMMISSIONER COMMONS: No.

22 MS. GERVAIS: Commissioner Noteware?

23 COMMISSIONER NOTEWARE: Aye.

24 MS. GERVAIS: Vice-Chair Crowley?

25 COMMISSIONER CROWLEY: Aye.

1 MS. GERVAIS: Chairman Imbrecht?

2 CHAIRMAN IMBRECHT: Aye. "Aye's" three, "No's"  
3 one. The motion is carried. The contract is tabled and  
4 referred to Budget and Management.

5 Item 6 is Amendment to Contract we currently  
6 have with Michael Heintz to add --

7 COMMISSIONER COMMONS: Excuse me, Mr. Chairman.  
8 I'm not finished with Item -- we've tabled it, but I'm  
9 not ready to move forward on it.

10 CHAIRMAN IMBRECHT: It's not a question of  
11 whether you're ready to move. We've completed action on  
12 the item. There is nothing further to do with it. It's  
13 not a question of recognizing people to give speeches on  
14 an item.

15 COMMISSIONER COMMONS: I'm not --

16 CHAIRMAN IMBRECHT: If you wanted to speak to  
17 it, you had an opportunity during the consideration of  
18 the item.

19 COMMISSIONER COMMONS: I -- then a point of  
20 information.

21 CHAIRMAN IMBRECHT: Fine. State your point.

22 COMMISSIONER COMMONS: Will this item come back  
23 before us?

24 CHAIRMAN IMBRECHT: I think that really depends  
25 upon --

1 COMMISSIONER COMMONS: All right. Then --

2 CHAIRMAN IMBRECHT: -- a decision that's made  
3 in Budget and Management. We'll give Mr. Chamberlain an  
4 opportunity to argue his case, and all other offices will  
5 be allowed to participate obviously in that discussion.

6 If you disagree with the recommendation of the  
7 Budget and Management Committee, you have the prerogative  
8 of any member, and that is to either notice it or to move  
9 to remove the item from the table.

10 COMMISSIONER COMMONS: All right. Then I request  
11 that we renote this item for the next Business Meeting.

12 COMMISSIONER CROWLEY: You --

13 CHAIRMAN IMBRECHT: Commissioner Crowley.

14 COMMISSIONER CROWLEY: It is my understanding  
15 that once an item of business --

16 CHAIRMAN IMBRECHT: Yes.

17 COMMISSIONER CROWLEY: -- has been completed,  
18 it cannot be brought back until something has happened.

19 CHAIRMAN IMBRECHT: He can notice it, but it  
20 still requires a motion to remove it from the table, and  
21 so we can notice that that is something that you are going  
22 to propose, and I guess that would be the noticed item,  
23 the motion by Commissioner Commons to remove from the  
24 table the contract.

25 If you have a vote to do so, then the item will

1 be taken up.

2 COMMISSIONER CROWLEY: Okay.

3 CHAIRMAN IMBRECHT: Okay. Item 6, amendment  
4 to the contract -- to add \$12,000 to the contract with  
5 Michael Heintz, and extend the term of the contract to  
6 June 30, 1986, to provide legal services relating to  
7 review and processing of contracts, loans and grants.

8 Mr. Chamberlain.

9 MR. CHAMBERLAIN: Yes. Mr. Chairman, this con-  
10 tract extends a short-term contract that we let on an emer-  
11 gency basis. Mr. Heintz has been I believe quite helpful  
12 to the Commission in reviewing grants and loans matters  
13 and contract matters, and I would indicate that while we  
14 are currently searching for -- since we actually put this  
15 item on the agenda, our contract attorney, Carol Chesbrough,  
16 has announced that she will leave to go to work for  
17 General Services.

18 And so this contract is now essential for the  
19 purpose of insuring that we continue to have services in  
20 this area, until such time as we can hire a replacement  
21 for Carol within my office.

22 CHAIRMAN IMBRECHT: Does anyone wish to be heard  
23 on this item?

24 Okay. I will move. Is there a second?

25 COMMISSIONER NOTEWARE: Second.

1 CHAIRMAN IMBRECHT: Seconded by Commissioner  
2 Noteware.

3 Is there objection to a unanimous roll call?

4 Hearing none, "Aye's" four, "No's" none. The  
5 motion is carried. The contract amendment is approved.

6 Item 7, I should have indicated earlier, at the  
7 request of the applicant has been removed from today's  
8 business meeting.

9 Item 8, consideration and possible adoption of  
10 Proposed Building Standards for Retail and Wholesale  
11 Buildings.

12 EXECUTIVE DIRECTOR WARD: Mr. Chairman?

13 CHAIRMAN IMBRECHT: Mr. Ward.

14 EXECUTIVE DIRECTOR WARD: It's my understanding  
15 that we have some representatives of the PAG that are on  
16 their way from San Francisco and have not arrived yet.

17 CHAIRMAN IMBRECHT: All right. Why don't we  
18 turn to Item 9, in that case.

19 EXECUTIVE DIRECTOR WARD: And I'm waiting for  
20 some staff to come down on Item No. 9. You moved a little  
21 more expeditiously this morning than we anticipated.

22 CHAIRMAN IMBRECHT: I'm on a roll, Mr. Ward.  
23 I want to keep the momentum going.

24 MR. HEATH: Mr. Chairman, we're also waiting  
25 for the intervenors to come in, too. They are already

1 here, but I believe they are meeting over in my office,  
2 so just bear with us for a moment.

3 CHAIRMAN IMBRECHT: The intervenors on Item 9.

4 MR. HEATH: That is correct.

5 CHAIRMAN IMBRECHT: All right. In that case  
6 let's turn to the Consent Calendar. Does any Commissioner  
7 to remove any item from the Consent Calendar?

8 Okay. Do I hear a motion?

9 COMMISSIONER NOTEWARE: I move to adopt the  
10 Consent Calendar.

11 CHAIRMAN IMBRECHT: Moved by Commissioner Noteware.

12 COMMISSIONER CROWLEY: I second.

13 CHAIRMAN IMBRECHT: Seconded by Commissioner  
14 Crowley to approve the Consent Calendar as proposed. For  
15 the record, that's consideration and possible action to  
16 increase the reserved need allocation for the Placerita  
17 Small Power Plant Exemption by .9 of a megawatt, and also  
18 consideration and possible approval of the 1986 Business  
19 Meeting Schedule.

20 Is there objection to the unanimous roll call?

21 Hearing none, "Aye's" four, "No's" none. The  
22 motion is carried. Both items are approved.

23 Item 11 is approval of the minutes as proposed.

24 Are there additions or corrections to the minutes?

25 Hearing none, they are approved as presented.

1 Are there Policy Committee reports?

2 COMMISSIONER COMMONS: Excuse me. On the --  
3 excuse me. All right.

4 CHAIRMAN IMBRECHT: Okay. Are there Policy  
5 Committee reports?

6 I think I'll just make a brief one. I don't  
7 know, Mr. Ward may want to elaborate on this as well, but  
8 we've had some further good news in terms of our negotia-  
9 tions on the budget, and in addition to the approval of  
10 all of the contracts that we have proposed, albeit a few  
11 of them have slightly been changed, but we have also  
12 gained the approval of the Department of Finance for two  
13 additional personnel years for the Commission, one in our  
14 audit division and one in our personnel office, and I  
15 think that will respond to some specific problems that  
16 we have all dealt with.

17 COMMISSIONER COMMONS: Audit division?

18 CHAIRMAN IMBRECHT: The audit --

19 EXECUTIVE DIRECTOR WARD: Accounting, I believe.

20 CHAIRMAN IMBRECHT: -- or accounting operation  
21 within the Administrative Services.

22 COMMISSIONER COMMONS: Administrative Services.  
23 Okay.

24 CHAIRMAN IMBRECHT: And I believe we also have  
25 a recommendation favorable in terms of the 12.2 BY-4 siting.

1 Is there anything -- am I --

2 EXECUTIVE DIRECTOR WARD: Yes.

3 CHAIRMAN IMBRECHT: Am I missing any of the items?

4 EXECUTIVE DIRECTOR WARD: I think your charac-  
5 terization on the 12 and a half is that it's going forward  
6 for decision by the Governor with no prejudice from the  
7 Department of Finance, just simply based on the original  
8 agreements.

9 CHAIRMAN IMBRECHT: That's the proper way to  
10 characterize it. So we frankly have very few outstanding  
11 issues at this juncture on the budget.

12 Any other Policy Committee reports?

13 Okay. Mr. Chamberlain, do you have a General  
14 Counsel's Report for us? I know you'd like an Executive  
15 Session, and we'll take care of that.

16 MR. CHAMBERLAIN: Yes. The only matter is  
17 simply to announce for the record the Commission's  
18 favorable decision in the Sonoma County case, and to  
19 request an Executive Session on that.

20 CHAIRMAN IMBRECHT: I assume for purposes of  
21 information that in essence, on a five-to-two vote of the  
22 Supreme Court --

23 MR. CHAMBERLAIN: Upheld the constitutionality  
24 of Section 25531(a) relating to --

25 CHAIRMAN IMBRECHT: Which insures the same level

1 of review to Energy Commission decisions as is accorded  
2 the Public Utilities Commission.

3 Okay. Mr. Ward, do you have a report for us  
4 today?

5 EXECUTIVE DIRECTOR WARD: Yes. Commissioner  
6 Commons made a request that I thought was very prudent,  
7 that I brief you on the status of the siting cases, and  
8 I can do that now, or I can do it a little bit later, what-  
9 ever the pleasure of the Commission is.

10 CHAIRMAN IMBRECHT: Well, that will take a few  
11 minutes, so why don't we hold that until after we take  
12 the other items.

13 EXECUTIVE DIRECTOR WARD: That's fine.

14 CHAIRMAN IMBRECHT: Any other short items you  
15 have for us now?

16 EXECUTIVE DIRECTOR WARD: No.

17 CHAIRMAN IMBRECHT: All right.

18 (Agenda Item 9 under separate cover.)

19 CHAIRMAN IMBRECHT: All right. I think that  
20 we've gone long enough into the lunch hour. We have one  
21 item left, and that's -- Commissioner Commons, how long  
22 do you anticipate the Building Standards issue will take?

23 COMMISSIONER COMMONS: How long are you going  
24 to take?

25 CHAIRMAN IMBRECHT: How long will I --

1           COMMISSIONER COMMONS: We'll take 15 to 20  
2 minutes.

3           CHAIRMAN IMBRECHT: All right. Fine.

4           COMMISSIONER COMMONS: Plus you.

5           CHAIRMAN IMBRECHT: I think we can do our  
6 Executive Session afterwards. Should we take one hour  
7 right now, one hour and come back at 1:30, and get the  
8 Building Standards out?

9           COMMISSIONER COMMONS: I would like to do the  
10 Executive Session now, if we could. I have some time  
11 problems.

12          CHAIRMAN IMBRECHT: Okay. Well --

13                   (Discussion off the record.)

14          CHAIRMAN IMBRECHT: All right. We'll stand in  
15 recess until 1:30, and -- actually, let's make that 1:45,  
16 and we do Executive Session at 1:15.

17                   Can we get done in a half an hour?

18          COMMISSIONER CROWLEY: Oh, yes, I'm sure that  
19 we can.

20          CHAIRMAN IMBRECHT: Yes. Okay. Executive  
21 Session --

22          COMMISSIONER CROWLEY: Don't forget Bill wants  
23 one item.

24          CHAIRMAN IMBRECHT: Yes.

25          COMMISSIONER COMMONS: Yes, and I have two items.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CHAIRMAN IMBRECHT: Executive Session at 1:15  
in the small conference room.

(Whereupon, the Business Meeting of the  
California Energy Resources Conservation and Development  
was adjourned for the luncheon recess and Executive  
Session at 12:35 p.m.)

---o0o---

AFTERNOON SESSION

---o0o---

3:00 P.M.

1  
2  
3 CHAIRMAN IMBRECHT: All right. Let's call the  
4 meeting back to order. Apologize for our long Executive  
5 Session, much longer than we contemplated.

6 The only item remaining before the Commission  
7 is Item No. 8, which is Commission Consideration and  
8 Possible Adoption of Proposed Building Standards for Retail  
9 and Wholesale Buildings. This was continued from our  
10 November 13th meeting.

11 Mr. Ward, do you want to lead off?

12 EXECUTIVE DIRECTOR WARD: Yes, Mr. Chairman.  
13 As you will recall from the November 13 meeting, the PAG  
14 that had assisted the Commission and been a major parti-  
15 cipant in developing the Retail Building Standards had  
16 some concern about the implementation tools, and the  
17 availability of staff resources to develop those tools.

18 Since that time, the staff has met with the PAG,  
19 and there is a resolution. As I understand it, it's going  
20 to require some amount of time that the restaurant  
21 standards be deferred, but it is certainly I think con-  
22 sistent with our previous posture, at least the staff's  
23 previous posture, in trying to assist in the implementa-  
24 tion of these standards, and we have a couple of the repre-  
25 sentatives, Mr. Eley and Mr. Tabor, here to address any

1 of those issues that you're concerned about.

2 CHAIRMAN IMBRECHT: Okay. Has the relevant  
3 policy committee looked at this?

4 EXECUTIVE DIRECTOR WARD: I'm not sure whether  
5 they have had a -- Bill Pennington indicates yes.

6 CHAIRMAN IMBRECHT: All right. That being the  
7 case, is there objection to going forward and doing what  
8 we nearly did two weeks ago?

9 COMMISSIONER COMMONS: Well, Mr. Chairman, the  
10 Committee listened to both the words from yourself and  
11 from the -- the words from PAG in terms of the need to  
12 integrate the standards with the implementation tools to  
13 make them workable, and have come up with a proposal which  
14 I believe meets with the satisfaction of most of the par-  
15 ties.

16 Rather than the -- rather than including it  
17 within the adoption order, what the Committee is proposing  
18 is a letter to Mr. Tabor as part of the adoption, but it  
19 would not be part of the adoption order, which essentially  
20 lays out how we intend to proceed and takes care of the  
21 matters that had been raised by them.

22 We circulated the letter to each of the  
23 Commissioners, and when we get to the adoption we would  
24 like to include the letter as part of the overall adoption,  
25 but perhaps it's appropriate to allow the PAG and anyone

1 else who would like to make comment to do so.

2 CHAIRMAN IMBRECHT: Fine. Mr. Tabor, do you  
3 want to address the Commission?

4 MR. TABOR: Thank you, Mr. Chairman, Commissioners.

5 The letter -- if I may ask for some background,  
6 do I understand, Commissioner Commons, that this letter  
7 has now been approved by the members of the Commission  
8 and will be forthcoming?

9 COMMISSIONER COMMONS: That would be -- when  
10 we go to a vote on that, it will be my recommendation that  
11 the letter be included as part of the adoption vote. It's  
12 my understandng from the PAG that their proceeding and  
13 agreement with the standard requires that the two be done  
14 at the same time.

15 CHAIRMAN IMBRECHT: Commissioner Commons, do  
16 you have a copy of this letter you can distribute to the  
17 rest of us, so we could review it while this discussion  
18 is underway?

19 MR. TABOR: Forgive me, Mr. Chairman. There  
20 is a little confusion. We just want to be sure we are  
21 all reading the same letter.

22 COMMISSIONER CROWLEY: How true.

23 CHAIRMAN IMBRECHT: Well, I'll tell you, it's  
24 a little bit long, but maybe just to get -- since we don't  
25 have copies, if no one objects, maybe I'll run through

1 it very quickly, and then we know where we stand.

2 Have you reviewed this, Mr. Ward?

3 EXECUTIVE DIRECTOR WARD: My staff assures me  
4 that it is consistent with the agreement that was reached  
5 in their meeting with the PAG.

6 CHAIRMAN IMBRECHT: And the work plan?

7 EXECUTIVE DIRECTOR WARD: Well, as I indicated,  
8 it's going to require a deferral of the restaurant stan-  
9 dards to accomplish.

10 CHAIRMAN IMBRECHT: And that's acceptable to  
11 the Committee?

12 COMMISSIONER COMMONS: Yes. It may require a  
13 deferral of the restaurant standards up through December  
14 of next year, rather than them being completed in June.  
15 It may mean that they would be done in August or September.  
16 It would be difficult to say the exact date, but the way  
17 the letter reads, no later than December of next year.

18 EXECUTIVE DIRECTOR WARD: And the letter does  
19 indicate the changes to the work plan.

20 COMMISSIONER COMMONS: Essentially what we are  
21 doing is taking the items that PAG said are necessary for  
22 compliance, moving them forward. We have added -- which  
23 has already had Budget Committee approval -- the two PY,  
24 which will help accomplish some of the items that the PAG  
25 has requested, and have tried to take into consideration

1 their requests, and also the Budget Committee's position,  
2 vis-a-vis resource availability.

3 CHAIRMAN IMBRECHT: Okay.

4 COMMISSIONER COMMONS: That's not exactly what  
5 the PAG request is, but it goes a long way in the direc-  
6 tion that they had requested, and has priorities for --

7 CHAIRMAN IMBRECHT: Mr. Tabor, do you want to  
8 hear this? Let me just run through this real quickly,  
9 and I think then we'll have it in the record. This is  
10 addressed to you.

11 "The Commission recognizes that in adopting  
12 new Retail Building Standards, certain commitments  
13 for future work are necessary. The timely adop-  
14 tion of standards for all building types and  
15 development of compliance tools and training  
16 materials are high priorities for the Commission.  
17 The identification of these tasks and goals for  
18 their implementation are set forth below.

19 "It is the intention and expectation that  
20 these goals will be accomplished. However, should  
21 circumstances develop that do not exist today,  
22 or should future budgets not be approved as pro-  
23 posed, then the Commission may find it necessary  
24 to revise these goals.

25 "In the event that such a revision is

1 contemplated, staff will contact the Professional  
2 Advisory Group to develop options for a new  
3 schedule.

4 "The Professional Advisory Group will have  
5 the opportunity to comment on any proposed schedule  
6 revision during the normal work plan process at  
7 a scheduled Commission Business Meeting."

8 That ordinarily takes place shortly after the  
9 adoption of the State Budget.

10 "(a) The Energy Conservation Manual. The  
11 Commission is required by Public Resources Code,  
12 Section 25402.1, to produce an energy conservation  
13 manual to aid builders, designers and building  
14 officials in complying with and enforcing its  
15 Building Energy Standards. The Commission directs  
16 the New Building Efficiency Committee to oversee  
17 the preparation of amendments to the '85 Office  
18 Standards, Energy Efficiency Manual, to include  
19 the new Retail Standards. An updated manual  
20 shall be submitted to the Commission for certi-  
21 fication by June 30, 1986.

22 "(b) Compliance Tools. Public Resources  
23 Code, Section 25402.1, requires the Commission to  
24 provide a public domain computer program to facili-  
25 tate the use of a performance approach for

1 compliance with the Building Standards. The pub-  
2 lic domain programs are those used during the  
3 development of the Energy Standards, DOE 2.1(a)  
4 in Quicklight to Model Daylighting. The Commission  
5 directs the Committee to develop procedures to  
6 certify other calculation methods proposed for  
7 certification under Title 20, Section 1409, for  
8 use with the '85 Office Building Standards, and the  
9 new Retail Standards performance approach. The  
10 Committee should present a proposed certification  
11 procedure to the Commission by March 31, 1986.  
12 The Commission has developed a simplified calcula-  
13 tion method for use with the 1985 Office building  
14 Standards. The Commission directs the Committee  
15 to update the simplified calculation procedure for  
16 the new Retail Standards.

17 "The Committee should present a proposed up-  
18 dated simplified calculation method for Commission  
19 approval by June 30, 1986.

20 "(c) Training and Assistance" sets out what  
21 our requirements are, and then says:

22 "The Commission directs the staff, with  
23 overview from the Committee, to develop and make  
24 available training materials to be used by all  
25 segments of the building industry. Training

1 material for the 1985 Office building Standards  
2 should be made available by June 30, 1986. The  
3 Commission establishes a goal for making avail-  
4 able training materials for the new Retail  
5 Standards by January of 1987.

6 "The Completion of Standards Development.  
7 The Commission has as its policy the completion  
8 of the Nonresidential Standards for all occupan-  
9 cies in the phase-out, the '78 Nonresidential  
10 Standards in their entirety. The Commission  
11 directs the Committee and staff to complete the  
12 standards development work for all nonresidential  
13 occupancies. Further, the Committee is directed  
14 to propose standards for adoption by the Commission  
15 for restaurants and grocery stores by December 31,  
16 1986. The Commission establishes a goal for  
17 adoption of standards for assembly and hotel build-  
18 ings by June 30, 1987, for school buildings by  
19 December 31, 1987, and for all other nonresiden-  
20 tial building categories by June 30, 1988.

21 "The Commission recognizes that a principal  
22 reason for phasing implementation of the 1985  
23 Office Building Standards and the new Retail  
24 Standards is to identify and correct problems and  
25 errors that are discovered before the new standards

1           become mandatory.

2                       "Members of the building industry have  
3           already called such problems and errors to the  
4           attention of the Committee and staff with regard  
5           to the 1985 Office Building Standards. The  
6           Commission, therefore, directs the Committee to  
7           initiate a hearing proceeding to correct prob-  
8           lems and errors brought to its attention by the  
9           building industry.

10                      "The Committee should initiate the proceed-  
11           ing by February 1, 1986, and recommend revisions  
12           to the full Commission for adoption by June 30,  
13           1986, for incorporation in the next supplement to  
14           the State Building Code."

15                      MR. TABOR: Yes.

16                      CHAIRMAN IMBRECHT: Does that set forth your  
17           understanding?

18                      MR. TABOR: Yes, it does. Last week we had a  
19           meeting with several of the most interested members of  
20           the PAG in this issue with four members of the staff, and  
21           we reached substantial agreement on the language which  
22           you have just described.

23                      If in fact you deem it appropriate to -- to sign  
24           this letter, I believe you will have done an extraordinary  
25           amount to respond to our concerns.

1           CHAIRMAN IMBRECHT: There are four signatures  
2 now on it, so --

3           MR. TABOR: We recognize the fact that you oper-  
4 ate under limitations, and that you really -- the Commission  
5 really has done a great deal in presenting this letter  
6 to us. We are very appreciative, and -- for this letter  
7 and, in a more general sense, for the cooperative effort  
8 at regulating the industry, which we have been able to  
9 assist you with over the last few years.

10           So, speaking -- insofar as I can, speaking on  
11 behalf of the Professional Advisory Group as a whole, most  
12 of whose numbers I have polled on this matter, we will  
13 support the new Retail Standards, and recommend your  
14 adoption of them.

15           CHAIRMAN IMBRECHT: All right. Fine.

16           Does anyone else wish to be heard on this item?

17           Commissioner Crowley.

18           COMMISSIONER CROWLEY: I would like to inquire  
19 again from Mr. Pennington. I understand you are going  
20 to meet with the new Executive Director of the State  
21 Building Standards Commission and coordinate your efforts  
22 to see that the manual, and so on, are published in a timely  
23 fasion and that the entire matter is going to be dealt  
24 with as closely to the schedule as --

25           MR. PENNINGTON: Right. There was some

1 discussion with the PAG last Friday when we met with them  
2 about the fact that perhaps we could do better than the  
3 schedule, and that that was a possibility.

4           That possibility would be contingent upon us  
5 having a well defined schedule from the State Building  
6 Standards Commission as to when they intend to publish  
7 their code supplements in the future. That's something  
8 that we haven't had the luxury of over the last couple  
9 of years, and we've been pretty much driving forward on  
10 our own time frame hoping to connect with the State  
11 Building Standards Commission schedule as best we could.

12           The -- there is a new Executive Director at the  
13 State Building Standards Commission who perhaps will try  
14 to establish a more specific schedule in the future, and  
15 it was the conclusion of the meeting with the PAG that  
16 perhaps if a few of the key building industry organiza-  
17 tions would go with Energy Commission staff over to talk  
18 to the new Executive Director and explain the timing issues  
19 that we have that perhaps we could work out some agreement  
20 with the State Building Standards Commission.

21           COMMISSIONER CROWLEY: Thank you.

22           CHAIRMAN IMBRECHT: I may be able to facilitate  
23 that. The new Executive Director is a former -- immedi-  
24 ately former City Councilman from my Assembly District,  
25 so I'm pretty familir with him. I was surprised to see

1 his appointment. He stepped down as a councilman in order  
2 to accept that job.

3 All right. Then I'm going to assume that I've  
4 got a motion from Commissioner Commons and a second by  
5 Commissioner Noteware that we adopt the standards as pro-  
6 posed at the last Business Meeting, and --

7 COMMISSIONER COMMONS: Now, since we have four  
8 signatures on the letter --

9 CHAIRMAN IMBRECHT: -- the letter is --

10 COMMISSIONER COMMONS: -- I don't think then  
11 we would need to incorporate the letter in the --

12 CHAIRMAN IMBRECHT: No.

13 COMMISSIONER COMMONS: We would not need it.

14 COMMISSIONER NOTEWARE: Regarding that letter,  
15 we want to get the fifth signature. Commissioner Gandara  
16 had to leave today, so it will probably be Monday before  
17 this goes out.

18 CHAIRMAN IMBRECHT: It's in the mail.

19 COMMISSIONER COMMONS: Doug has it. If it's  
20 lost, Doug has it.

21 CHAIRMAN IMBRECHT: All right. Does anyone else  
22 wish to be heard on this item?

23 Is there objection to a unanimous roll call?

24 COMMISSIONER CROWLEY: Fine.

25 CHAIRMAN IMBRECHT: Hearing none, "Aye's" four,

1 "No's" none. The standards are adopted.

2 Compliments to members of the Professional  
3 Advisory Group for your cooperation over a long haul, and  
4 one that continues, and certainly the Committee as well.  
5 Thank you very much. Appreciate your patience today.

6 MR. TABOR: Thank you.

7 CHAIRMAN IMBRECHT: Thank you.

8 All right. Mr. Ward, you were going to run over  
9 siting status. I hope that can be done expeditiously,  
10 and then perhaps we can conclude.

11 Let me just -- before you do that, does any mem-  
12 ber of the public wish to address the Commission?

13 All right. That takes care of that item, and  
14 your report. It's up to you when we get out of here,  
15 Mr. Ward.

16 EXECUTIVE DIRECTOR WARD: This is I don't think  
17 anything that's earthshaking. It was something that I  
18 discussed with Commissioner Commons, and frankly he and  
19 I agreed that there is little opportunity to kind of go  
20 over the -- in total the siting cases and the current  
21 status with the Commission. It's something I can do in  
22 two weeks or I can do today. It's --

23 CHAIRMAN IMBRECHT: How long is it going to take  
24 you?

25 EXECUTIVE DIRECTOR WARD: Oh, at least a half

1 an hour.

2 COMMISSIONER CROWLEY: Thank you for your pre-  
3 sentation.

4 EXECUTIVE DIRECTOR WARD: I would say probably --

5 CHAIRMAN IMBRECHT: Is that something you can --

6 EXECUTIVE DIRECTOR WARD: -- probably no longer  
7 than ten minutes.

8 CHAIRMAN IMBRECHT: Is that something you can  
9 submit to us in writing?

10 EXECUTIVE DIRECTOR WARD: Yes. That can be done  
11 as well.

12 CHAIRMAN IMBRECHT: Why don't you just give it  
13 to us in memorandum form. If we've got questions, we'll  
14 raise them at the next business meeting.

15 COMMISSIONER COMMONS: I have one thing. I have  
16 no objection of it being done in writing but I'd like it  
17 part of the record so that the outside world knows how  
18 we are progressing quite well on the siting cases, and  
19 I think it's appropriate that, even though it's not read  
20 into the record, it be part of our transcript.

21 EXECUTIVE DIRECTOR WARD: Why don't I -- why  
22 don't I just give you the general summary without going  
23 over the condition of each case

24 The last six months. as you are all aware, we  
25 have certified three plants, PGandE Geysers 21, 140

1 megawatts, CCPA 130 megawatts, and then two weeks ago  
2 Gilroy Foods.

3 Today we've got under active review four AFC's  
4 totaling 973 megawatts and six small power plant exemp-  
5 tions totaling 390 megawatts.

6 There are five additional AFC's that have been  
7 filed but which have yet been deemed adequate, totaling  
8 765 megawatts.

9 Additionally, one new SPPE has been filed, the  
10 Champlain Project for 80 megawatts, and then next Monday  
11 we anticipate two more AFC's to be filed, the Mobil San  
12 Ardo and Mobil South Belridge, both projects combined  
13 totaling 560 megawatts.

14 And that's the general summation. If you have  
15 questions about status of any of the cases, I can do that  
16 as well, but I don't think it's necessary. In fact, I  
17 can give you something in writing on that if you're  
18 interested.

19 CHAIRMAN IMBRECHT: I agree with Commissioner  
20 Commons. I think it would be useful to communicate some  
21 of this information in terms of sticking with the schedule  
22 in essence to some of the interest groups that have mis-  
23 characterized the record of the Commission on that.

24 EXECUTIVE DIRECTOR WARD: And, frankly, that's  
25 one of the reasons that I concurred with Commissioner

1 Commons in being able to brief you on fairly regular  
2 intervals on this, because I -- I think some of those com-  
3 ments are certainly not well taken by the staff, and I  
4 know Commissioners as well.

5 CHAIRMAN IMBRECHT: Well, you can rest assured.

6 All right. Thank you, Mr. Ward.

7 Any further questions for the Executive Director?

8 Well, on behalf of the members of the Commission,  
9 for all those in earshot listening throughout the building,  
10 may we extend wishes for a happy and healthy Thanksgiving,  
11 and we'll see you next Monday.

12 We'll stand in adjournment.

13 (Thereupon, the Busienss Meeting of the  
14 California Energy Resources Conservation and Development  
15 Commission was adjourned at 3:15 p.m.)

16 ---o0o---

17

18

19

20

21

22

23

24

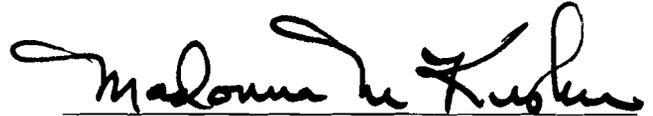
25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

REPORTER'S CERTIFICATE

THIS IS TO CERTIFY that I, Madonna M. Kushen, Reporter, have duly reported the foregoing proceedings which were held and taken in Sacramento, California, on Wednesday, the 27th day of November 1985, and that the foregoing pages constitute a true, complete and accurate transcription of the aforementioned proceedings.

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



Madonna M. Kushen, Reporter