

COMMISSIONERS PRESENT

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Jeffrey D. Byron

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Harriet Kallymeyn, Secretariat

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Bill Staack

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10:04 a.m.

CHAIRPERSON PFANNENSTIEL: Good morning.
Please join us in the Pledge of Allegiance.

(Whereupon the Pledge of Allegiance was
recited in unison.)

CHAIRPERSON PFANNENSTIEL: This is the
California Energy Commission business meeting of
January 17th. We'll begin with the consent
calendar. Is there a motion on the consent
calendar?

COMMISSIONER ROSENFELD: I move the
consent calendar.

COMMISSIONER GEESMAN: Second.

CHAIRPERSON PFANNENSTIEL: All in favor?

(Ayes.)

CHAIRPERSON PFANNENSTIEL: Consent
calendar is approved.

Item number 2 on the agenda, possible
approval of the Energy Commission to conduct
energy savings assessments of large California
industrial plants during 2007 under the national
Save Energy Now program and accept purchase orders
from the United States Department of Energy for
the work. Good morning.

1 MR. KAZAMA: Good morning, Chairman
2 Pfannenstiel and Commissioners. I'm Don Kazama of
3 the industrial energy efficiency program. In 2006
4 the California Energy Commission was a successful
5 contractor to the United States Department of
6 Energy's national Save Energy Now program for
7 conducting energy saving assessments of
8 California's largest industrial plants.

9 Our 2006 work identified over 8 million
10 therms of natural gas savings each year; almost
11 26,500,000 kilowatt hours of electric savings;
12 about \$6.5 million in energy cost savings; and
13 reductions in carbon dioxide emissions of about
14 82,000 tons each year.

15 The Energy Commission was again selected
16 by the DOE to conduct energy saving assessments
17 under the 2000 version of Save Energy Now. In 2006
18 the DOE awarded the Energy Commission a standard
19 fixed price contract for the work.

20 In 2007 the DOE will issue purchase
21 orders for each assignment instead of a fixed
22 price contract. It's expected that each purchase
23 order will not exceed \$5000.

24 The Energy Commission's grants and loans
25 office, the contracts office, the budgets office

1 and legal office have all agreed that this is an
2 appropriate method for the DOE to procure services
3 from the Energy Commission. The Efficiency
4 Committee has also given its approval to proceed.

5 Three of our staff are mechanical
6 engineers, who have been certified by the DOE to
7 conduct energy savings assessments, will be
8 responsible for doing the actual work.

9 The Energy Commission will be reimbursed
10 by the DOE at the labor rates determined for these
11 individuals and for indirect costs associated with
12 the work. The Energy Commission will work only in
13 California locations; and we are not obligated to
14 accept work assignments from the DOE.

15 Staff recommend that the Commission
16 grant allowance to conduct energy saving
17 assessments for 2007 under the DOE's Save Energy
18 Now program; accept purchase orders for the work;
19 and delegate authority to the Executive Director
20 to accept purchase orders on the Commission's
21 behalf.

22 I would be pleased to answer any
23 questions the Commission may have.

24 CHAIRPERSON PFANNENSTIEL: Thank you,
25 Don. Are there questions or discussion?

1 COMMISSIONER ROSENFELD: Don, I know
2 that there are four of you who are working pretty
3 hard. So that just you could be a little more
4 prominent, would you state who the heroes are?

5 MR. KAZAMA: The team is led by Mr.
6 Clint Lowell, program manager for the industrial
7 energy efficiency program; the three engineers
8 include myself, Tony Wong, and Joseph Wang. We
9 have all been certified by the DOE to do this
10 work.

11 COMMISSIONER ROSENFELD: We're certainly
12 indebted to you. I move the item.

13 COMMISSIONER BOYD: Second.

14 CHAIRPERSON PFANNENSTIEL: All in favor?
15 (Ayes.)

16 CHAIRPERSON PFANNENSTIEL: Thank you;
17 it's been approved.

18 MR. KAZAMA: Thank you.

19 CHAIRPERSON PFANNENSTIEL: Item 3,
20 possible adoption of the proposed amendments to
21 the appliance efficiency regulations as express
22 terms dated December 1, 2006. Mr. Staack.

23 MR. STAACK: Good morning,
24 Commissioners; my name is Bill Staack. I am
25 senior staff counsel for the California Energy

1 Commission. Next to me is Jim Holland from the
2 appliance office. We're here today to hear public
3 comments on the Energy Commission's proposed
4 amendments to the appliance efficiency
5 regulations, docket number 07-AAER-1.

6 The proposed amendments that are being
7 considered today result from litigation filed in
8 November of 2004 by four appliance manufacturer
9 trade associations against the Energy Commission
10 in federal court, asserting that various aspects
11 of the appliance regulations were preempted by
12 federal law.

13 In summary, the legal results put this
14 case back into the local district court for a
15 final resolution and lifting of an injunction
16 enjoining the Commission from enforcing certain
17 portions of the 2002 regulations.

18 Because the challenged regulations did
19 not go into effect as scheduled in 2002, and
20 because in the interim some loose ends had
21 appeared, and because the parties had spent so
22 much time working on the litigation both the trade
23 association and the Energy Commission recognized
24 that an immediate enforcement of the regulations
25 would not have been feasible.

1 We worked diligently and cooperatively
2 to make the transition from litigation to
3 compliance with the regulation as smooth as
4 possible. In this effort of cooperation all
5 parties agreed to a joint status conference
6 statement for the court which listed about 20
7 items on which everyone agreed; and which we told
8 the court we would implement in this rulemaking.

9 There were also a few items, five to be
10 precise, on which we agreed to disagree and to
11 seek resolution during this rulemaking. The joint
12 statement was incorporated into the federal
13 court's final order in this case.

14 The notice of proposed action for the
15 proposed amendments was published on December 1,
16 2006, which started the beginning of the 45-day
17 comment period. At the same time the express
18 terms for 45-day language of the proposed
19 amendments were made available.

20 We addressed all 20 items on which
21 everyone agreed upon in the court order through
22 the 45-day language. After releasing the 45-day
23 language the Energy Commission's Energy Efficiency
24 Committee held a public hearing on December 20,
25 2006 to hear comments on the 45-day language, and

1 to discuss the five outstanding issues with the
2 trade organizations.

3 We now have determined that we need to
4 make some additional changes in the form of 15-day
5 language. This is why we're proposing to the full
6 Commission not to adopt the 45-day language at the
7 business meeting today, but rather wait and adopt
8 revised amendments which we will propose to
9 release.

10 CHAIRPERSON PFANNENSTIEL: Thank you.
11 Is there public comment on this, either the
12 amendments included in the express terms or on the
13 recommendation from the staff?

14 Hearing -- seeing no additional public
15 comment, then I take it we just take no action on
16 this item at this point.

17 MR. STAACK: That is correct.

18 CHAIRPERSON PFANNENSTIEL: Fine, thank
19 you. So we move on to item 4. Possible approval
20 of a \$3 million loan to the County of San Diego to
21 install energy efficient lighting and mechanical
22 systems retrofits. The project is estimated to
23 save the County approximately 1.8 million kilowatt
24 hours and \$400,000 annually in reduced energy
25 costs with a simple payback of 7.5 years.

1 MS. LEW: Thank you, Chairman
2 Pfannenstiel. Good morning, Commissioners. My
3 name is Virginia Lew.

4 The County of San Diego is one of the
5 leading counties implementing energy efficiency
6 and renewable energy projects in California.
7 Since 2002 the County has been awarded
8 approximately \$5 million in loans from the Energy
9 Commission to install energy efficiency measures
10 and photovoltaic systems in multiple buildings.

11 This new loan before you today will
12 continue to help the County meet its goal of
13 improving energy efficiency of its facilities.
14 The projects consist mainly of upgrading the
15 mechanical and lighting systems and will affect 23
16 County buildings. In addition, these projects
17 will also meet the state's energy efficiency
18 goals.

19 The total project cost is estimated to
20 be \$4 million. San Diego Gas and Electric will
21 provide an estimated \$500,000 in rebates. The
22 County is also allocating \$500,000 of its own
23 moneys towards the projects. This \$3 million loan
24 will pay for all the remaining costs.

25 Engineers from the San Diego Regional

1 Energy Office, the County and the Energy
2 Commission have evaluated all the energy cost
3 savings calculations and determined that this loan
4 is technically feasible and meets all the
5 requirements for a loan under the Energy
6 Conservation Assistance Act.

7 This item has been approved by the
8 Efficiency Committee. Staff is seeking your
9 approval of this item. Thank you.

10 CHAIRPERSON PFANNENSTIEL: Thank you,
11 Virginia. So, with this approval, San Diego
12 County will have \$8 million of loans. And I
13 assume each of those has been somewhat leveraged,
14 so there's some larger number of dollars put into
15 energy efficiency in the County?

16 MS. LEW: Correct.

17 CHAIRPERSON PFANNENSTIEL: And do you
18 know whether other counties in California are even
19 close to that? It seems like a fairly impressive
20 record of energy efficiency.

21 MS. LEW: Yeah, I think the only other
22 county is Alameda County. It's also pretty
23 progressive in pursuing efficiency and renewable
24 projects.

25 But the San Diego area, San Diego County

1 and the City of San Diego, they seem to be very
2 proactive and every couple of years, once they
3 finish a group of projects, they come in and do
4 more.

5 CHAIRPERSON PFANNENSTIEL: Questions?
6 Discussion?

7 COMMISSIONER GEESMAN: What's the
8 interest rate on the loan?

9 MS. LEW: The interest rate is -- could
10 be as low as 4.1 percent; but right now it's 4.5.
11 And if they're able to complete the projects
12 early, we can reduce the rate down to 4.1 or even
13 4.2 if they complete by April of 2008.

14 COMMISSIONER ROSENFELD: Virginia, I'm
15 just a little puzzled at the arithmetic. You say
16 you're going to save 1,800,000 kilowatt hours a
17 year, and you're going to save \$400,000 a year.
18 That would be like 30 cents a kilowatt hour,
19 which, -- are there some gas savings, too?

20 MS. LEW: Yes. There's two projects
21 that will result in about 157,000 therms of gas
22 savings a year.

23 COMMISSIONER ROSENFELD: Okay.

24 MS. LEW: And so that's roughly about
25 \$150,000 in savings.

1 COMMISSIONER ROSENFELD: That checks
2 out; thank you.

3 Ready to move the item.

4 CHAIRPERSON PFANNENSTIEL: Is there a
5 second?

6 COMMISSIONER GEESMAN: Second.

7 CHAIRPERSON PFANNENSTIEL: All in favor?

8 (Ayes.)

9 CHAIRPERSON PFANNENSTIEL: It's
10 approved; thank you.

11 MS. LEW: Thank you.

12 CHAIRPERSON PFANNENSTIEL: Item 5,
13 possible approval of amendment 2, contract 500-01-
14 016 with the University of California at Davis to
15 extend the agreement one year and augment the
16 budget by \$398,115 to continue the work of the
17 Biomass Collaborative. Good morning.

18 DR. TIANGCO: Good morning,
19 Commissioners. My name is Valentino Tiangco. I
20 am the senior technical lead with the PIER
21 renewables program.

22 The PIER renewables program has
23 initiated establishment of the Biomass
24 Collaborative in 2003, that serves as a
25 multisector coordinating organization and

1 statewide forum on issues pertaining to
2 sustainable biomass management and bioenergy
3 development.

4 Now entering its fourth year of
5 operations the Collaborative comprises a diverse
6 membership and has aided in the development of
7 state plans and policies to enhance biomass
8 utilization and realize environmental and resource
9 objectives.

10 Over the previous three years the
11 Collaborative has conducted assessments of biomass
12 resources in the state; published GIS resource
13 databases and other web-based models and tools;
14 surveyed and developed a reporting system for
15 biomass facilities; prepared whitepapers
16 addressing opportunities for expanding supplies of
17 electricity, biofuels and bio-based products and
18 the potential environmental and socioeconomic
19 impacts and benefits; supported a Commission
20 strategic value assessment for renewables;
21 published economic models for general project
22 assessment; contributed a review in support of
23 technology research projects; provided analysis
24 and needs for state policy research, education and
25 public outreach; and assisted in the preparation

1 of a state bioenergy action plan developed under
2 the auspices of the bioenergy interagency working
3 group.

4 The Collaborative is currently engaged
5 in the development of roadmap to guide future
6 decisions on how the biomass resources of the
7 state are managed and developed.

8 To disseminate results and engage the
9 public in discussion on biomass development, the
10 Collaborative has annually hosted a well-attended
11 open forum. The Collaborative has also held
12 topical workshops and participated in a
13 substantial number of research agency and
14 legislative conferences and meetings to provide
15 technical background and enable broader public
16 input. And issued quarterly newsletters covering
17 Commission-sponsored and other biomass projects
18 and events.

19 The Collaborative activities have
20 attracted additional sponsorship from industry,
21 utility and other agency sector, such as SMUD,
22 Roseburg Lumber, Bay Area Air Quality Management
23 District, Chevron, California Integrated Waste
24 Management Board, California Department of
25 Forestry and Fire Protection, Department of Water

1 Resources and California Integrated Waste
2 Management Board.

3 This amendment is for continued
4 operation of the Collaborative as a vehicle to
5 assist and support PIER renewable activities in
6 biomass.

7 This amendment to this contract will
8 complete the final roadmap for sustainable biomass
9 management and development; will update the
10 California Biomass facilities reporting system;
11 update the California biomass resource assessment;
12 perform assessment of economic biomass research
13 potential; perform assessment of the potential for
14 dedicated energy crops in the state; perform case
15 studies in biomass-to-fuels development; provide
16 technical assistance to Commission bioenergy
17 interagency working group; organize and hold,
18 report on one California biomass collaborative
19 forum; prepare quarterly newsletters; develop a
20 bioenergy short course; and initiate development
21 of a web-based bioenergy information
22 clearinghouse.

23 The \$398,115 will be funded out of the
24 2006/07 budget. This project supports the PIER
25 renewable energy research area. This project

1 helps meet the Governor's executive order S0606
2 and the bioenergy action plan.

3 I'm recommending that this project be
4 adopted. PIER Research and Development Committee
5 has approved this amendment to move forward. I'm
6 happy to answer any questions on the proposed
7 project.

8 CHAIRPERSON PFANNENSTIEL: Thank you.
9 Are there questions?

10 COMMISSIONER GEESMAN: I'll move the
11 item.

12 COMMISSIONER ROSENFELD: Don't you want
13 to second it?

14 COMMISSIONER BOYD: Oh, thank you. I
15 was going to say, as Chairman of the bioenergy
16 interagency working group, we value and appreciate
17 the work that the Collaborative has done. And I
18 appreciate the opportunity to second the motion to
19 approve their continuation in this arena at a time
20 when biomass has finally attracted some attention.

21 CHAIRPERSON PFANNENSTIEL: Further
22 discussion?

23 All in favor?

24 (Ayes.)

25 CHAIRPERSON PFANNENSTIEL: Thank you.

1 DR. TIANGCO: Thank you.

2 CHAIRPERSON PFANNENSTIEL: Item 6,
3 possible approval of contract 500-06-024 for
4 \$250,000 with AWS Truewind, LLC, to measure wind
5 resources in key areas of the state using remote
6 sensing capability. Good morning.

7 MS. YEN-NAKAFUJI: Good morning,
8 Commissioners. Thank you very much. My name is
9 Dora Yen-Nakafuji and I'm the technical lead for
10 the wind resources for the PIER renewables
11 program.

12 And we are seeking possible approval of
13 this contract with AWS Truewind to conduct a
14 second phase of our sodar measurement campaign.
15 Most probably available wind data throughout the
16 state has been measured from short towers about 20
17 meters tall. And the lack of wind shear data at
18 hub heights of current wind turbines presents a
19 challenge for industry in terms of siting and
20 development of new wind facilities, especially in
21 new areas for locating wind.

22 Measurements from wind towers in terms
23 of the number of towers, the tall towers, as far
24 as the costs of deploying these tall towers and
25 the number of these towers present also a

1 challenge for industry.

2 High fidelity wind measurements from a
3 remote sensing capability called the minisodar has
4 been demonstrated in our phase one of the sodar
5 campaign; and we are presenting this second phase
6 of the sodar campaign to measure data in the --
7 characterize the upper atmospheric conditions in
8 many of these new areas recommended for
9 development for RPS.

10 And once complete we anticipate that the
11 project will provide data for -- this data for a
12 number of RPS critical sites, including the
13 Tehachapi and the Imperial areas. And also the
14 data will provide site data for improving wind
15 forecasting models for these critical areas.

16 So staff is seeking approval for this
17 project.

18 CHAIRPERSON PFANNENSTIEL: Questions?
19 Discussion?

20 COMMISSIONER GEESMAN: I'll move the
21 item.

22 CHAIRPERSON PFANNENSTIEL: Yes,
23 Commissioner Byron.

24 COMMISSIONER BYRON: Ms. Yen, is there a
25 particular reason why this contract was done on a

1 sole source basis?

2 MS. YEN-NAKAFUJI: AWS Truewind
3 possesses unique characteristics for conducting
4 the sodar type -- sodar based measurements. And
5 in our first phase of the campaign they were
6 actually the first to propose using minisodars for
7 demonstration throughout many sites in California.
8 And the sodar, even though it's not a new
9 technology, for use in wind measurement it is new.

10 So the first year we demonstrated that
11 capability by validating a lot of the information
12 with industry, privately owned tall towers.
13 Industry provided us that data so that we can
14 validate this concept. And they're open for
15 deploying some of these minisodars on their site,
16 especially in Tehachapi and Imperial in this
17 second phase of the campaign.

18 So we feel that Truewind has the
19 credibility; they're also doing a lot of the wind
20 forecasting work for Cal-ISO under the PIRP
21 program. So they do possess unique
22 characteristics and capability that has been
23 difficult to find in this area.

24 COMMISSIONER BYRON: Thank you.

25 COMMISSIONER BOYD: Question, if I

1 might. I'm just curious. Does this device give
2 you a reading of wind speeds at all levels from
3 say ground up to, you say up to a few hundred
4 meters? Or do you have to focus it on a
5 particular altitude, let's say, or height?

6 MS. YEN-NAKAFUJI: Well, the minisodars
7 are tuned to about a couple hundred meters.
8 Typical sodars go much much higher. So, yes, they
9 can provide you multiple readings and multiple
10 layers between ground level on up.

11 So one of the things we propose using
12 this sodar is not to measure data down to 20
13 meters, but to fill in that gap from the tower
14 heights that we have currently out there, so 30
15 meters, 50 meters on up, to the hub heights of the
16 turbines. That's where the turbulence and the
17 shear velocities are experienced for a lot of the
18 wind turbines.

19 So, one thing in addition that the sodar
20 provides that typical met towers, cup anemometers
21 don't provide, is that it gives us volume of data
22 and wind shear components versus just the point
23 data for wind velocity, or wind speed actually;
24 doesn't give you the velocity -- or excuse me --
25 it can give you the velocity depending on the

1 device you're using.

2 COMMISSIONER BOYD: Thank you.

3 CHAIRPERSON PFANNENSTIEL: Further
4 discussion? Questions? There's been a motion.
5 Is there a second?

6 COMMISSIONER ROSENFELD: I second.

7 CHAIRPERSON PFANNENSTIEL: All in favor?

8 (Ayes.)

9 CHAIRPERSON PFANNENSTIEL: Thank you.

10 MS. YEN-NAKAFUJI: Thank you.

11 CHAIRPERSON PFANNENSTIEL: Item 7,
12 possible approval of contract 200-06-006 for
13 \$45,000 with the Governor's Office of Planning and
14 Research to provide writing and research services
15 for planning and policy discussion documents
16 regarding energy-related issues. Good morning,
17 Cheryl.

18 MS. RAEDEL: Good morning,
19 Commissioners. My name is Cheryl Raedel, and I'm
20 manager of the contracts office. Before you is
21 our annual contract with OPR for \$45,000. As you
22 see by the budget we share in the cost with other
23 Resource Agencies for these services. We've
24 provided the service for about the last 11 years
25 that I've been around.

1 CHAIRPERSON PFANNENSTIEL: Thank you.

2 Are there questions? Is there a motion?

3 COMMISSIONER ROSENFELD: I move the
4 item.

5 COMMISSIONER GEESMAN: Second.

6 CHAIRPERSON PFANNENSTIEL: All in favor?
7 (Ayes.)

8 CHAIRPERSON PFANNENSTIEL: Thank you.

9 MS. RAEDEL: Thank you.

10 CHAIRPERSON PFANNENSTIEL: Item 8,
11 possible approval of contract 500-06-025 for
12 \$200,824 with BuildingGreen, Inc. to develop Green
13 Reference Specifications for commercial buildings.
14 Good morning, Cheri.

15 MS. DAVIS: Good morning, Commissioners.
16 My name is Cheri Davis and I work in the PIER
17 buildings program. I have responsibility for
18 projects related to green buildings and green
19 communities.

20 I'd like to give you a little bit of
21 history about this project. Back in 1999 the
22 Energy Commission funded the development of green
23 reference specifications, much like we're
24 proposing to do now. These specifications are
25 used by architects to specify energy efficient

1 buildings.

2 And these specifications have since
3 become out of date and they lack reference to
4 current standards such as the Title 24 standards
5 or the LEED building guideline system.

6 BuildingGreen, Incorporated already
7 houses these existing reference specifications and
8 has the resources to both update and promote the
9 specifications. And they also are developing a
10 nonprofit organization called the Green
11 Specifications Institute that can manage the
12 continuing update of these specifications. And
13 that's a key component of this contract.

14 This contract will fund the revision and
15 update of the building specifications for the
16 design of high-performance buildings consistent
17 with LEED, California regulations and other
18 important green building guidelines.

19 These specifications would publish on a
20 public domain website, as well as
21 buildinggreen.com, which is a very well respected
22 and well-used site for green building architects.

23 This contract will also provide seed
24 money for creating what we're calling an editorial
25 board within the existing Green Specifications

1 Institute that will assume ongoing responsibility
2 for presenting and maintaining the green
3 guidelines specifications over time.

4 This contract will also fund the
5 development of a public domain web-based tool to
6 enable the submission, review and approval of
7 suggested improvement to the green guidelines
8 specifications. And most suggestions would come
9 from the users, themselves.

10 And finally, it will provide seed money
11 for the first three annual updates to the green
12 guidelines specifications.

13 This contract supports policies put
14 forth in the Integrated Energy Policy Report, the
15 Energy Action Plan, and the Governor's Green
16 Building Action Plan on state buildings by
17 providing architects with the tools they need to
18 specify high performance, environmentally friendly
19 buildings.

20 Staff requests your approval for this
21 contract.

22 CHAIRPERSON PFANNENSTIEL: Thank you.
23 What is the relationship between these
24 specifications and LEED? I know it will
25 incorporate LEED, but I assume it's something

1 different than LEED or we wouldn't have to do our
2 own. So, --

3 MS. DAVIS: Correct.

4 CHAIRPERSON PFANNENSTIEL: -- what is
5 the relationship?

6 MS. DAVIS: Specifications are --
7 whenever you're going to design a building you
8 have to come up with specifications. And they're
9 very specific instructions for how to build --
10 construct the building. And LEED does not provide
11 that.

12 LEED provides general guidelines, but
13 not the exact specifications. So every architect
14 turns to a specifications book, either developed
15 inhouse or they go to a website to provide them
16 with suggested language for the specifications.

17 CHAIRPERSON PFANNENSTIEL: Since LEED,
18 though, is national, then other states must have
19 specifications to build to a LEED standard?

20 MS. DAVIS: There are many
21 specifications out there. Sometimes each
22 architectural firm will have their own set of
23 specifications. The idea here is to create
24 something that's universal. These will also be
25 performance-based specifications.

1 Oftentimes architectural firms will have
2 their own product-based specifications. You know,
3 the products that they typically use for a
4 building. And this does not supplant those.
5 These are performance based and the idea is that
6 these will be universal and something that
7 architects from all over the country could use.

8 CHAIRPERSON PFANNENSTIEL: Thank you.
9 And can you speak just a bit about why this is a
10 sole source contract?

11 MS. DAVIS: Yes. BuildingGreen,
12 Incorporated is unique in that they're already a
13 well respected source of information including
14 specifications, as well as products, for
15 architects. And because they're developing this
16 nonprofit organization, they have many
17 partnerships. They have sources for funding.

18 And as I mentioned before, a key element
19 of this contract is the update of the
20 specifications. We don't want to do the same
21 thing we did last time, which is develop
22 specifications and have them stagnate. We want
23 something that's going to be updated.

24 And frankly, BuildingGreen, Incorporated
25 was the only company we could find. We searched

1 for years in California and could not find a
2 company that indicated that they would be able to
3 do this.

4 CHAIRPERSON PFANNENSTIEL: Thank you.
5 Other questions? Yes, Commissioner Byron.

6 COMMISSIONER BYRON: Thank you for
7 asking those questions that some of my similar
8 questions, as well. But I also note it's up to
9 46-month contract. Does that mean that these
10 specifications or guidelines won't be completed
11 until at the end of that four years?

12 MS. DAVIS: The specifications will be
13 completed within, I think it's about an eight-
14 month timeframe. And the reason for the remaining
15 months is to fund the first part -- co-fund the
16 first three annual updates of the specifications.

17 COMMISSIONER BYRON: Okay, very good.
18 However, I note, again, another sole source. And
19 having done a lot of research, myself, in a
20 previous life, we always used to say that the best
21 thing you ever got from the contractor was the
22 proposal. So, I would continue to encourage PIER
23 to do solicitations for research. However, in
24 this case and the previous one I think you both
25 explained very well why you did sole source. So,

1 thank you.

2 MS. DAVIS: Thank you.

3 CHAIRPERSON PFANNENSTIEL: Further
4 questions? Discussion?

5 COMMISSIONER ROSENFELD: I move the
6 item.

7 COMMISSIONER GEESMAN: Second.

8 CHAIRPERSON PFANNENSTIEL: All in favor?
9 (Ayes.)

10 CHAIRPERSON PFANNENSTIEL: It's
11 approved; thank you.

12 MS. DAVIS: Thank you.

13 CHAIRPERSON PFANNENSTIEL: Approval of
14 minutes of January 3, 2007 business meeting.

15 COMMISSIONER ROSENFELD: I move the
16 minutes.

17 COMMISSIONER BYRON: Second.

18 CHAIRPERSON PFANNENSTIEL: All in favor?
19 (Ayes.)

20 COMMISSIONER BOYD: I abstain.

21 CHAIRPERSON PFANNENSTIEL: Thank you;
22 noted.

23 Commission Committee presentation or
24 discussion. Any Commissioner have items to raise?
25 None.

1 Chief Counsel's report.

2 MR. CHAMBERLAIN: Thank you, Madam
3 Chairman. Last week, late last week my office
4 received a document that apparently has been
5 lodged in the California Supreme Court which
6 challenges the Commission's decision on the San
7 Francisco Electric Reliability case. And I would
8 seek to have a closed session with you to discuss
9 that document.

10 In addition, if there's time, we can
11 discuss the preliminary -- the potential for
12 litigation over the DOE denial of the Commission's
13 waiver petition.

14 CHAIRPERSON PFANNENSTIEL: Thank you. I
15 think we will plan to have a closed session
16 following this meeting.

17 Executive Director's report, Mr.
18 Blevins.

19 EXECUTIVE DIRECTOR BLEVINS: Thank you,
20 Madam Chairman. I just wanted to indicate that I
21 do have a few brief personnel items I want to
22 discuss with the Commission in closed session, as
23 well.

24 CHAIRPERSON PFANNENSTIEL: Oh, it's
25 getting interesting.

1 EXECUTIVE DIRECTOR BLEVINS: And also
2 let me indicate that Mr. Smith does not have a
3 Legislative Director's report today.

4 CHAIRPERSON PFANNENSTIEL: Thank you.
5 So we move on to Public Adviser's report.

6 MR. BARTSCH: Madam Chair, Members, Nick
7 Bartsch for Margret Kim. I just simply wanted to
8 alert everybody that our guide to public
9 participation in the siting process which was
10 published last year -- last month, excuse me, is
11 now available on the internet. And also limited
12 hard copies are available from our office.

13 We have also distributed these copies to
14 you. So, just wanted to let you know that. Thank
15 you.

16 CHAIRPERSON PFANNENSTIEL: Thank you,
17 Nick.

18 Public comment? No public comment.
19 Nobody on the phone?

20 We'll be adjourned.

21 (Whereupon, at 10:26 a.m., the public
22 business meeting was adjourned into
23 closed session.)

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CERTIFICATE OF REPORTER

I, PETER PETTY, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California Energy Commission Business Meeting; that it was thereafter transcribed into typewriting.

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

IN WITNESS WHEREOF, I have hereunto set my hand this 28th day of January, 2007.

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