

BUSINESS MEETING
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:)
Business Meeting)
_____)

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CALIFORNIA ENERGY COMMISSION
HEARING ROOM A
1516 NINTH STREET
SACRAMENTO, CALIFORNIA

WEDNESDAY, NOVEMBER 5, 2008

10:04 A.M.

ORIGINAL

Reported by:
Peter Petty
Contract Number: 150-07-001

COMMISSIONERS PRESENT

Jackalyne Pfannenstiel, Chairperson

James D. Boyd, Vice Chairperson

Arthur H. Rosenfeld

Jeffrey D. Byron

Karen Douglas

STAFF and CONTRACTORS PRESENT

Melissa Jones, Executive Director

William Chamberlain, Chief Counsel

Marni Weber, for the Legislative Director

Harriet Kallemeyn, Secretariat

Marc Pryor

Lisa DeCarlo

Shahid Chaudry

Devorah Eden

Bill Pennington

Jane Heinz

Joseph Merrill

Adrian Ownby

Joe O'Hagan

PUBLIC ADVISER

Elena Miller

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1 P R O C E E D I N G S

2 2:04 p.m.

3 CHAIRPERSON PFANNENSTIEL: This is an
4 Energy Commission business meeting.5 Please join me in the Pledge of
6 Allegiance.7 (Whereupon the Pledge of Allegiance was
8 recited in unison.)9 CHAIRPERSON PFANNENSTIEL: No change to
10 the agenda, as posted.11 Consent calendar. Anybody move the
12 consent calendar?13 COMMISSIONER ROSENFELD: I move the
14 consent calendar.

15 VICE CHAIRPERSON BOYD: Second.

16 CHAIRPERSON PFANNENSTIEL: In favor?

17 (Ayes.)

18 CHAIRPERSON PFANNENSTIEL: Consent
19 calendar is approved.20 Item number 2, possible approval of the
21 Executive Director's recommendation that the
22 Sacramento Municipal Utility District's contract
23 with Iberdrola Resources, Inc., formerly PPM,
24 Inc., be found to be compliant with the emissions
25 performance standard for local publicly owned

1 electric utilities pursuant to 1368.

2 Good morning.

3 MR. PRYOR: Good morning, Chairman
4 Pfannenstiel, Commissioners. My name is Marc
5 Pryor; I'm with the electricity analysis office.

6 Senate Bill 1368, as you will recall, is
7 the first step towards limiting investment in high
8 carbon generation resources by California
9 utilities, signed in 2006.

10 The bill required the California Public
11 Utilities Commission, the California Energy
12 Commission to draft emission performance standards
13 -- portfolio standards for investor-owned and
14 public utilities, respectively.

15 As a rulemaking here at the Energy
16 Commission, sections 2900 through 2913 were added
17 to Title 20 in August of 2007. Regulations
18 prohibit long-term investments by public utilities
19 in a generation facility designed or intended to
20 operate as a baseload plant if said plant emits
21 more than 1100 pounds of CO2 per megawatt hour of
22 generation.

23 Investment here includes the
24 construction or purchase of a power plant, a
25 contract of the plant of five years or more in

1 length, or capital upgrades that extend the
2 plant's life, or materially increases the plant's
3 capacity or expected level of output.

4 Section 2903(b) of the EPS regulations
5 gave renewable electricity generation facilities
6 defined by chapter 8.6, division 15, of the Public
7 Resources Code to be compliant with the standard.

8 The facility under your consideration
9 today is a biomass facility and meets renewable
10 generation definition, and is, therefore, defined
11 to be compliant with the emissions performance
12 standard.

13 We're here today to ask you to rule on
14 the compliance of a long-term contract entered
15 into by SMUD, Sacramento Municipal Utility
16 District.

17 This is the third SB-1368 EPS contract
18 that's come before you. The others were both
19 geothermal contracts that were entered into by
20 Northern California Power Agency in May and the
21 City of Riverside in June.

22 SMUD has entered into a long-term power
23 purchase agreement with Iberdrola, Incorporated,
24 for the output of a biomass cogeneration facility
25 located in Tacoma, Washington. This cogeneration

1 plant will consume waste from a paper and pulp
2 mill, and steam from the process will be retained
3 for use by the mill.

4 The facility is expected to come online
5 in July of next year, 2009, and have a nameplate
6 capacity of 55 megawatts. SMUD has secured the
7 rights to all output and environmental attributes
8 for a 12-year period.

9 Regulations requires SMUD submit a
10 filing to the Energy Commission, and that the
11 Commission rule upon the compliance of the
12 agreement with the standard. SMUD completed the
13 filing on October 24th.

14 Staff has reviewed the compliance filing
15 and recommends that the agreement be found
16 compliant with the emission performance standard.

17 Is Mr. Scanlon here today?

18 MR. SCANLON: Yes.

19 MR. PRYOR: Mr. Scanlon, with SMUD
20 Staff, is available today to answer any question
21 pertaining to SMUD's contract with Iberdrola.

22 That concludes my presentation.

23 CHAIRPERSON PFANNENSTIEL: Thank you,
24 Mr. Pryor. Are there questions of staff or SMUD
25 on this issue? Yes, Commissioner Byron.

1 COMMISSIONER BYRON: Mr. Pryor, thank
2 you. Commissioners, we have put these three
3 contracts on the business meeting agenda in order
4 for Commissioners to see them and review them.

5 I would imagine, though, that we could
6 probably move future contracts to the consent
7 calendar if there's no objection to these. Just
8 wanted to make sure everybody understood how these
9 need to be reviewed and approved by this
10 Commission.

11 I do have a couple questions for Mr.
12 Pryor I'd just like to ask, that might help
13 clarify the situation.

14 You indicated this is the third one that
15 we've seen. It's been over a year since the
16 regulation has been in place. We anticipated we
17 might be seeing a lot more of these.

18 Mr. Pryor, do you have any idea why
19 we're not, or --

20 MR. PRYOR: No, sir, I do not.

21 COMMISSIONER BYRON: Nor do I. I see
22 Ms. DeCarlo hiding back there. I'm curious if she
23 had any comments to add, as well. Do you?

24 MS. DeCARLO: I don't have any inside
25 knowledge as to why we're not seeing more. I do

1 know that the estimates varied during our
2 rulemaking as to how many we would see. I think
3 some estimated, I think it was NCPA or one of the
4 umbrella organizations, estimated about five a
5 year. So this would be about on par for that.

6 I had heard that, given the anticipated
7 implementation of AB-32, and the apparent issue
8 that the POU's are currently adequate, resource
9 adequate, that that's perhaps why there's no
10 influx at this point.

11 COMMISSIONER BYRON: Thank you. And as
12 I recall, we have a 30-day window in which we're
13 supposed to review and approve these, is that
14 correct?

15 MR. PRYOR: Yes, sir.

16 COMMISSIONER BYRON: Have we had any
17 difficulty meeting that requirement?

18 MR. PRYOR: No, sir.

19 COMMISSIONER BYRON: So the amount of
20 staff time involved in this review, could you give
21 us a sense, is it pretty minimal? Or is it
22 extensive?

23 MR. PRYOR: Well, this one was my first,
24 so it took me a little bit to get up to speed.
25 And I had anticipated being on the consent portion

1 of the calendar. So when it was changed I had to
2 do a little more back, and so I really couldn't
3 give you an idea of how much time it takes.

4 COMMISSIONER BYRON: Well, we'll check
5 with you later then -- with regard to how long
6 that it is taking.

7 Ms. Jones, what do you think? Should we
8 move these to the consent items in the future? Is
9 that a --

10 EXECUTIVE DIRECTOR JONES: I think that
11 renewables, in particular, can go on consent. I
12 think there might be other contracts that would
13 come up that might be more controversial that you
14 may want to take public comment on and put on the
15 regular agenda.

16 COMMISSIONER BYRON: Okay. Well, thank
17 you. Thanks for answering my questions.

18 CHAIRPERSON PFANNENSTIEL: Other
19 questions?

20 VICE CHAIRPERSON BOYD: I would just say
21 I share Commissioner Byron's concern that we're
22 not seeing more of these. I guess the question
23 that should remain kind of on the table for us, as
24 we pursue California's electricity future. I'm
25 not sure this is an IEPR subject or not, but we

1 might think about it anyway.

2 CHAIRPERSON PFANNENSTIEL: Everything is
3 a potential IEPR subject --

4 (Laughter.)

5 VICE CHAIRPERSON BOYD: As being back on
6 the IEPR Committee I'm finding it to be very true,
7 everything is, potentially.

8 COMMISSIONER BYRON: Well, if there's no
9 further questions then I will move the item.

10 COMMISSIONER ROSENFELD: Second.

11 CHAIRPERSON PFANNENSTIEL: All in favor?

12 (Ayes.)

13 CHAIRPERSON PFANNENSTIEL: Thank you,
14 Mr. Pryor.

15 Item 3, possible approval of a \$776,000
16 loan to the City of Santa Rosa, located in Sonoma
17 County, to implement energy efficiency projects at
18 the City's Meadowlane and Rohnert Park Pumping
19 Stations. Good morning.

20 MR. CHAUDRY: Good morning, Ms.
21 Chairwoman, and good morning, Commissioners. I'm
22 Shahid Chaudry with the public programs office.

23 And I'm here today to request your
24 approval for a loan of \$776,000 for the City of
25 Santa Rosa. The city wants to use this amount to

1 implement energy efficiency projects at their two
2 pumping stations. And that includes modifying
3 pumping stations, adding controls and using VSPs.

4 It's estimated that once these projects
5 are done, the city would be able to save about 1
6 million kilowatt hour of electricity a year, which
7 translates roughly into 400 tons of CO2
8 reductions. In addition to saving about \$100,000
9 a year from these projects.

10 The loan request is in compliance with
11 the loan guidelines. And staff has done
12 (inaudible) and recommends for your approval.

13 CHAIRPERSON PFANNENSTIEL: This is
14 another one of those good news projects where --

15 MR. CHAUDRY: That's right.

16 CHAIRPERSON PFANNENSTIEL: -- the city
17 has come to us for a loan, where we have the money
18 available, doing all the right things for it.

19 Are there questions on it?

20 COMMISSIONER ROSENFELD: I have a
21 trivial question. The writeup says it's either
22 ECA money or bond funded.

23 MR. CHAUDRY: Right. Commissioner, this
24 loan will be paid from bond funding. Roughly we
25 have about \$21.8 million both for ECA and bond

1 funding.

2 There's about \$12 million for ECA, and
3 remaining 8.5 million is from bond; but this money
4 will come out of bond funding.

5 COMMISSIONER ROSENFELD: Thank you. I
6 move the item.

7 COMMISSIONER DOUGLAS: Second.

8 CHAIRPERSON PFANNENSTIEL: All in favor?

9 (Ayes.)

10 CHAIRPERSON PFANNENSTIEL: Thank you
11 very much.

12 MR. CHAUDRY: Thank you.

13 CHAIRPERSON PFANNENSTIEL: Item 4,
14 possible approval of City of Palo Alto locally
15 adopted energy standards for residential and
16 nonresidential newly constructed buildings
17 requiring greater energy efficiency than the 2005
18 building energy efficiency standards.

19 Good morning.

20 MS. EDEN: Good morning, Madam Chairman
21 and Commissioners. I'm Devorah Eden with the
22 buildings and appliances office.

23 Under California Public Resources Code
24 section 25402.1(h)(2), it allows cities and
25 counties to enforce energy conservation or energy

1 insulation standards. In order to do so, the city
2 or county is required to adopt an ordinance by
3 their local governing body of the city or county
4 at a public meeting, and make a determination that
5 the standards are cost effective.

6 The city or county is then required to
7 file the basis of its determination that the
8 standards are cost effective with the Energy
9 Commission. And the Energy Commission then finds
10 that the standards are more stringent than the
11 current building energy efficiency standards.

12 Additionally, through this process,
13 Energy Commission Staff asks that the city or
14 county provide education, training and other
15 support, as needed, to their building department
16 staff to enable them to effectively enforce the
17 current statewide standards, as well as their
18 proposed standards.

19 So the City of Palo Alto, on September
20 13th, submitted an application for approval of
21 their ordinance, their green building ordinance.
22 Their proposed ordinance requires LEED silver
23 certification for newly constructed commercial
24 buildings greater than 25,000 square feet. And a
25 minimum of 70 green point checklist points for all

1 newly constructed multifamily, single family and
2 two-family residential buildings 1250 square feet
3 or greater.

4 So this measures out, for the commercial
5 buildings, to 14 percent greater than Title 24,
6 and for the residential buildings 15 percent
7 greater than the current standards. And they have
8 met all requirements as far as cost effectiveness
9 analyses.

10 And we recommend that the ordinance be
11 approved. And I'm happy to answer any questions.

12 CHAIRPERSON PFANNENSTIEL: Thank you
13 very much. I think we probably ask this every
14 time it comes up. Any idea how many other cities
15 and counties have ordinances that exceed our Title
16 24?

17 MS. EDEN: Currently, --

18 CHAIRPERSON PFANNENSTIEL: Yes.

19 MS. EDEN: -- or that are applying?

20 Currently we have approved 15. And
21 there are two that have made phone contact and are
22 in the process of revising and preparing.
23 Hopefully in the next couple of months we should
24 see them come through.

25 CHAIRPERSON PFANNENSTIEL: That's great.

1 Now, these are, and I assume the 15 currently are,
2 more stringent than our 2005 building standards?

3 MS. EDEN: Yes. One of them was an
4 early adoption and one of them requires
5 photovoltaics, and all the others exceed the
6 standards by 10 to 15 percent generally.

7 CHAIRPERSON PFANNENSTIEL: But, of
8 course, --

9 COMMISSIONER ROSENFELD: But that's 15
10 percent over 2005 --

11 CHAIRPERSON PFANNENSTIEL: I was just
12 going to ask about 2008, the new standards.

13 COMMISSIONER ROSENFELD: Oh, good.

14 CHAIRPERSON PFANNENSTIEL: That --

15 MS. EDEN: They will need to reapply
16 when the compliance software is available and
17 resubmit their applications with the 2008 standard
18 compliance software. And as far as I know they
19 all intend to --

20 CHAIRPERSON PFANNENSTIEL: To do that.

21 MS. EDEN: -- to do that.

22 CHAIRPERSON PFANNENSTIEL: Now, Palo
23 Alto at 14 and 15 percent above our 2005, they
24 might actually be above the 2008, do you think?

25 MS. EDEN: It would probably be by a few

1 percentage points. It would depend --

2 CHAIRPERSON PFANNENSTIEL: Because I'm
3 just thinking of the issue within the city, having
4 to go and redo their standards so soon since 2008
5 standards will be in effect shortly.

6 MS. EDEN: Yes, they're often driven by
7 their own local requirements, AB-32 requirements.
8 So they want to get things moving sooner rather
9 than later. And they do intend to continue to
10 exceed standards by 15 percent or more when the
11 new standards come out.

12 So we'll see what those look like when
13 they resubmit.

14 CHAIRPERSON PFANNENSTIEL: Do we have
15 much information from the other 14, or is this the
16 15th or 16th, in terms of the difficulty? Or do
17 we have -- have we heard of controversies of the
18 builders in those communities able to do this,
19 obviously cost effectively, or they wouldn't have
20 it approved.

21 But we haven't heard any problems with
22 this?

23 MS. EDEN: The enforcement group might
24 be more informed. I have not heard anything as
25 far as builders. I heard there's some controversy

1 as far as the green package in general, but I
2 haven't heard issues regarding the energy
3 component, itself.

4 CHAIRPERSON PFANNENSTIEL: And the last
5 question. Do you have a sense of -- Palo Alto is
6 a pretty well already developed city. I don't
7 know how much construction there is going on in
8 Palo Alto, probably not a great deal.

9 Are most of the other cities who are in
10 that category, older, kind of developed cities, or
11 are there any real high-growth, lot-of-
12 construction-going-on cities, do you know?

13 MS. EDEN: As far as the ones that have
14 already been approved? Well, San Francisco, I
15 think they have a lot of multifamily high-rise;
16 Marin County's looking at the larger homes and
17 they're trying to kind of rope in the energy use
18 in some of the larger homes.

19 So, it kind of varies by area. I think
20 some are experiencing some sprawl into their
21 suburban areas.

22 CHAIRPERSON PFANNENSTIEL: It would be
23 interesting -- I see Mr. Pennington moving to the
24 mike to contribute to this.

25 (Laughter.)

1 COMMISSIONER ROSENFELD: Now we're going
2 to get the word.

3 MR. PENNINGTON: There are a few more
4 residential oriented communities like Palm Springs
5 and Rohnert Park that have been approved by the
6 Commission in the past that are having quite a bit
7 of residential development, as well.

8 CHAIRPERSON PFANNENSTIEL: I just think
9 it --

10 MR. PENNINGTON: I mean we could
11 probably respond to your question one by one, --

12 CHAIRPERSON PFANNENSTIEL: No. I just
13 think it might be an interesting piece of
14 information to give to the Commission about these
15 that exceed our standards. And whether that can,
16 say, help us for future standard-setting.

17 If some of these are willing to go
18 farther even in, you know, high construction area,
19 you know, maybe that gives us some guidance into
20 how much farther we can go in each of our rounds
21 of standard setting.

22 MR. PENNINGTON: Generally these
23 proposals that we've approved are in the 15 to 20
24 percent range beyond our standards. And we're not
25 getting negative comments from any front that I'm

1 aware of that that's unduly difficult.

2 Our New Solar Homes Partnership has been
3 successful in that level at tier one; and the tier
4 two levels at 35 percent. And about 75 percent of
5 the homes that are coming through the New Solar
6 Homes Partnership are being built at 35 percent
7 beyond standards, 2005 standards.

8 CHAIRPERSON PFANNENSTIEL: Right, so
9 it's saying to me that maybe we should either
10 increase the frequency with which we set the
11 building standards, or maybe we push further each
12 time than we have.

13 MR. PENNINGTON: To get to zero net
14 energy by 2020 we're going to have to stay pretty
15 much on a three-year update cycle and make
16 substantial incremental improvements each time.

17 CHAIRPERSON PFANNENSTIEL: And that is
18 very good news.

19 MR. PENNINGTON: At least 15 percent
20 each time.

21 COMMISSIONER ROSENFELD: Bill, could you
22 remind us if you compare 2008 Title 24 with 2005,
23 what's the gain there?

24 MR. PENNINGTON: It varies by climate
25 zone for residential --

1 COMMISSIONER ROSENFELD: Of course.

2 MR. PENNINGTON: -- dramatically. The
3 average is around 15 percent, 14, 15 percent. You
4 asked about Palo Alto. I think that's not a
5 inland hot climate zone; it's climate zone 4. And
6 I think that that percentage savings in the new
7 standards is more like 7 percent or something like
8 that.

9 So this will be farther than what the
10 2008 standards would require for that climate
11 zone, I think.

12 Related to nonresidential buildings the
13 new standards increase the stringency by, you
14 know, it's very building-specific; it's very much
15 targeted to what are the features of the building
16 and how could you improve the energy efficiency of
17 those features. So it's kind of harder to
18 generalize over a population of buildings. But
19 probably more likely on the order of 5 to 6
20 percent for the 2008 residential standards.

21 So, this proposal is at 14 percent. I
22 think that will definitely comply with the 2008
23 standards.

24 MS. EDEN: I do want to point out, also,
25 that those that are continuing with the green

1 point rated and LEED programs, those programs will
2 change with our standards, with the 2008
3 implementation date. They will continue to
4 require at least 15 percent beyond our 2008
5 standards. So they will continue to stretch those
6 that certify through their programs.

7 CHAIRPERSON PFANNENSTIEL: Other
8 questions? Commissioner Byron.

9 COMMISSIONER BYRON: This just continues
10 to be one of the best things, obviously, that we
11 do here. I wanted to let Ms. Eden know you may be
12 hearing from some other cities in the Silicon
13 Valley area.

14 I was at a joint venture Silicon Valley
15 Initiative last week with a number of cities and
16 the local counties, where they've created -- where
17 they're pursuing a new energy efficiency building
18 initiative.

19 And, of course, we reiterated this
20 program. I didn't even know about Palo Alto at
21 the time. But I would hope that you'll hear from
22 more cities in the Bay Area as a result.

23 And, of course, Madam Chairman, we also
24 reiterated the real gain here is with point-of-
25 sale legislation that would really change the

1 playing field --

2 COMMISSIONER ROSENFELD: The real
3 potential gain.

4 COMMISSIONER BYRON: Yes. So, again, I
5 would like to thank you and commend you for all
6 this good work.

7 CHAIRPERSON PFANNENSTIEL: Yes.

8 EXECUTIVE DIRECTOR JONES: And I guess I
9 would just note that with regard to the local
10 government programs in energy efficiency we are
11 looking at doing more outreach and getting the
12 word out that we have these programs, trying to
13 attract more people into it and make it easier for
14 people to get in.

15 CHAIRPERSON PFANNENSTIEL: And also we
16 will be trying to get local governments to do
17 their own time-of-sale ordinances where we can,
18 because they can, they have the ability to do
19 that, capture the savings within their own
20 municipality.

21 COMMISSIONER BYRON: Good.

22 CHAIRPERSON PFANNENSTIEL: Other
23 questions?

24 COMMISSIONER ROSENFELD: I'm ready to
25 move the item.

1 COMMISSIONER BYRON: I'll second the
2 item.

3 CHAIRPERSON PFANNENSTIEL: All in favor?
4 (Ayes.)

5 CHAIRPERSON PFANNENSTIEL: Thanks very
6 much.

7 MS. EDEN: Thank you.

8 CHAIRPERSON PFANNENSTIEL: Item 5,
9 possible approval of a \$651,370 loan to the Loomis
10 Union Unified School District to install several
11 energy efficiency projects, including lighting,
12 equipment controls, heating, ventilation, air
13 conditioning upgrades and replacements.

14 Good morning.

15 MS. HEINZ: Good morning. I'm Jane
16 Heinz and I am asking for your approval on this
17 loan. What isn't stated here, I guess, on the
18 agenda includes the CO2 reduction. And that's 182
19 tons.

20 Also I wanted to point out that part of
21 this program would be to install the new ICLS, or
22 integrated classroom lighting system, into the two
23 schools in this school district. That was also
24 developed with money from the PIER program. And
25 it was demonstrated, as well, at the California

1 Lighting Technology Center in Davis.

2 So FineLight is the contractor. And
3 they are going to be providing this more highly
4 efficient classroom lighting system. And that's
5 going to drive up savings quite a bit.

6 So that it enables the district to come
7 within the requirements of the ECA program for
8 payback of right at ten years, because they're
9 replacing so many HVAC units in both of these 50-
10 year-old schools.

11 CHAIRPERSON PFANNENSTIEL: Excellent.
12 Any discussion, questions?

13 COMMISSIONER ROSENFELD: I move item 5.

14 VICE CHAIRPERSON BOYD: Second.

15 CHAIRPERSON PFANNENSTIEL: All in favor?

16 (Ayes.)

17 CHAIRPERSON PFANNENSTIEL: Thank you,
18 Jane.

19 MS. HEINZ: Okay.

20 CHAIRPERSON PFANNENSTIEL: Item 6,
21 possible approval of contract 400-08-002 for
22 \$132,100 with Gilbert Associates, Inc., to provide
23 independent accounting and compliance auditing
24 services for the energy efficiency master trust
25 revenue bond program. Ms. Heinz.

1 MS. HEINZ: This is an independent
2 accounting firm that provides the audit to the
3 bond program. They have provided the audit to the
4 bond program since its inception in 2003.

5 They've been competitive in every
6 solicitation that we've had. And again, they
7 were -- we hopefully will award them this
8 contract. We're asking for your approval.

9 We did have two bidders, and Gilbert was
10 successful in this solicitation. Bond documents
11 require independent audit of our accounting
12 procedures so that we can retain our tax-exempt
13 status, or that's part of it.

14 And so we're asking for your approval.

15 CHAIRPERSON PFANNENSTIEL: Thank you.

16 Are there questions? Is there a motion?

17 VICE CHAIRPERSON BOYD: Move approval.

18 COMMISSIONER ROSENFELD: Second.

19 CHAIRPERSON PFANNENSTIEL: All in favor?

20 (Ayes.)

21 CHAIRPERSON PFANNENSTIEL: Thank you.

22 MS. HEINZ: Thank you.

23 CHAIRPERSON PFANNENSTIEL: Item 7,
24 possible approval of amendment to the contract
25 700-05-002 with Aspen Environmental Group for a

1 no-cost time extension of one year, and changes to
2 the scope of work, including assistance in, one,
3 developing a natural communities conservation plan
4 for selected areas of California; two, identifying
5 sites for renewable power plant development in the
6 state; three, developing a solar power plant
7 programmatic environmental impact statement; and,
8 four, developing best management practices to
9 facilitate the development of renewable resources,
10 while minimizing environmental impacts.

11 Good morning.

12 MR. MERRILL: Good morning,
13 Commissioners. I am Joseph Merrill with the
14 siting, transmission and environmental protection
15 division.

16 We briefed the Siting Committee
17 yesterday about requests. The purpose of the
18 proposed contract amendment is to extend the
19 contract term for one year, and change the scope
20 of work to add technical support for anticipated
21 work on siting renewable generation and
22 transmission.

23 And the four activities that you already
24 mentioned will be in response to policy design to
25 increase California's use of renewable resources.

1 The current contract, it's actually
2 known as the siting and planning peak work load
3 contract, was originally executed on April 11,
4 2006. At the time it was an \$18.6 million
5 contract to support the Energy Commission's power
6 plant licensing programs, as well as to conduct
7 policy studies in the area of transmission system,
8 natural gas system and electricity system
9 technical areas.

10 In January of 08 the budget was
11 augmented through amendment 1, and it was
12 increased by about \$4.9 million to \$23.5 million,
13 in order to insure enough spending authority to
14 get through extended peak workload that we've been
15 experiencing in the last few years, and we expect
16 to continue for at least several years.

17 Based on current siting case filing and
18 workload projections, staff does believe there is
19 still adequate spending authority left in the
20 current contract to support the expected siting
21 case load and to fund about \$400,000, which is a
22 partial completion of this work, which will
23 probably happen for several years.

24 And so therefore no additional funding
25 is being requested. And I open the floor to

1 questions.

2 CHAIRPERSON PFANNENSTIEL: Are there
3 questions? Any discussion?

4 COMMISSIONER BYRON: I think it merits
5 some comment. We did review this extensively
6 yesterday in the Siting Committee.

7 The workload continues to increase. I
8 think the projection is that we anticipate as many
9 as seven more applications before the end of the
10 year, possibly an additional seven before the end
11 of the fiscal year. And I believe our current
12 workload is as high as it's ever been.

13 MR. MERRILL: It is.

14 COMMISSIONER BYRON: So, --

15 MR. MERRILL: Well, maybe not 2001, but
16 lately.

17 COMMISSIONER BYRON: Yes. So it is
18 always extraordinary, the staff has to figure out
19 how to get the resources in order to keep up with
20 that. And I'm generally satisfied that they have
21 a plan here to do that, including coming back to
22 us. Can you remind me, Mr. Merrill, when you'll
23 be coming back to us for additional resources, or
24 I should say to renew -- no, renew is not the
25 right word -- to initiate a new contract?

1 MR. MERRILL: Yeah. We plan to release,
2 well, maybe not release, but we plan to turn into
3 the contracts office within the next month, an RFQ
4 to competitively bid the next contract, which will
5 be another three-year contract.

6 And we plan on possibly still getting in
7 on the November 12th Siting Committee meeting to
8 discussed that.

9 COMMISSIONER BYRON: So, barring any
10 other agency intervention we'll hopefully not have
11 an interruption of the services that we'll need to
12 continue with this workload.

13 So, I'd certainly recommend this.
14 Commissioner Douglas?

15 COMMISSIONER DOUGLAS: I would just add
16 that the siting division has, even as it faces
17 very high levels of its traditional workload,
18 siting in particular natural gas power plants,
19 they've also gotten increasing applications for
20 renewable energy. And are being asked to step up
21 and really undertake a number of proactive
22 initiatives to facilitate future siting of
23 renewable energy, which is, in part, what some of
24 the expansion of scope in this contract covers.

25 And this is very important work. And

1 I'm very pleased at how they have stepped up and
2 are finding a way to make it happen.

3 VICE CHAIRPERSON BOYD: That was the
4 part of this proposal that intrigued me and
5 interested me the most, since we all have been
6 subjected to the issues around the siting of
7 renewable facilities. Maybe in particular of
8 late, the solar power plants and the extreme
9 interest in them. And the thought on the part of
10 many people that they are the ultimate solution
11 versus the thought of many people that they are
12 going to be the despoilers of a new section of our
13 environment.

14 So I was very glad to see that the work
15 that's going to be undertaken here will try to
16 address and straighten out some of those problems.
17 Because there's a lot of people have a lot of
18 varying concerns. And there's an extreme lack of
19 knowledge and information available to the public,
20 at least. So, a very good piece of work.

21 CHAIRPERSON PFANNENSTIEL: I, for one,
22 am glad to see the extension of what is the
23 appropriately named peak load contract. We really
24 do need these additional resources.

25 Is there a motion? Further questions?

1 COMMISSIONER BYRON: However, if I may
2 add one more thing. It was also pointed out to
3 the Siting Committee that despite the fact that we
4 keep increasing these outside resources, it still
5 takes people internal to manage them.

6 And the way the accounting goes,
7 contract services don't require a ratio of
8 employees to supervision doesn't increase
9 proportionately in the siting -- I'm sorry, what's
10 the complete name of the new division again?
11 Siting --

12 MR. MERRILL: Siting transmission --

13 COMMISSIONER BYRON: -- transmission --

14 MR. MERRILL: -- and environmental
15 protection.

16 COMMISSIONER BYRON: Thank you. And so
17 that does create some problems. And there are
18 some issues at stake right now with regard to
19 approval and budget change proposals that are
20 working through the system that we're hopeful will
21 be rectified. But we're not getting all the
22 resources that we need internally to manage all of
23 this.

24 Ms. Jones, did you want to speak to
25 this?

1 EXECUTIVE DIRECTOR JONES: Yeah, and I
2 would just add that I think everyone recognizes
3 that we have difficulty, especially in this area,
4 with our classifications and the pay levels. And
5 we are trying to work with DPA to resolve some of
6 those issues, but it's been very difficult to
7 retain staff in the siting program. They see
8 other opportunities in other classifications that
9 afford them the ability to make more money.

10 And so we have a big challenge there.
11 We're trying to work through DPA, but that's a
12 long and arduous process.

13 COMMISSIONER BYRON: And, of course, I
14 suggested yesterday in committee that we put in a
15 BCP for a couple of additional Commissioners to
16 handle this --

17 (Laughter.)

18 COMMISSIONER BYRON: But that was met
19 with a similar response.

20 CHAIRPERSON PFANNENSTIEL: I didn't know
21 that was an option.

22 (Laughter.)

23 CHAIRPERSON PFANNENSTIEL: Not a bad
24 idea.

25 Is there a motion on the item 7?

1 COMMISSIONER BYRON: I'll move the item.

2 COMMISSIONER DOUGLAS: Second it.

3 CHAIRPERSON PFANNENSTIEL: All in favor?

4 (Ayes.)

5 CHAIRPERSON PFANNENSTIEL: Thank you,

6 Mr. Merrill.

7 MR. MERRILL: Thank you.

8 CHAIRPERSON PFANNENSTIEL: Item 8,

9 possible approval of the California Utility
10 Allowance Calculator. The CUAC, developed by the
11 Energy Commission, is designed to create project-
12 specific utility allowance estimates for
13 affordable and multifamily housing projects.

14 Good morning.

15 MR. OWNBY: Good morning, Commissioners.

16 My name is Adrian Ownby; I'm with the buildings
17 and appliance division. And I'll be presenting
18 instead of Sandy Miller today.

19 I'd like to give you some background on
20 the development of the California Utility
21 Allowance Calculator, and address some of the
22 implications of your approval of it, and talk
23 about the next steps pending your approval.

24 The genesis of the California Utility
25 Allowance Calculator was a recommendation from the

1 NSHP affordable housing advisory committee made in
2 2007.

3 The advisory committee identified two
4 issues that were blocking the adoption of solar in
5 affordable housing. The first being the metering
6 issue. But the second being the current system of
7 estimating utility allowances.

8 Restricted affordable housing rent is
9 defined as a gross rent. That is, it's the cost
10 of utilities, aka the utility allowance, and the
11 rent that's paid.

12 Prior to July of 2008 affordable housing
13 utility allowances were generally developed
14 according to federal regulations by local housing
15 agencies, and were typically based on an existing
16 aging housing stock. A second rarely-used option
17 being the utility allowance developed by a utility
18 for a particular project.

19 In response to the advisory committee's
20 recommendation the Commission began development of
21 the California Utility Allowance Calculator in mid
22 2007 through a contract with KEMA, administered
23 through the renewables office. KEMA developed the
24 beta version of the calculator in late 2007 and
25 continued to refine it through the first half of

1 2008.

2 In July of 2008 there was a major change
3 in the federal policy when the IRS issued new
4 utility allowance regulations. The new
5 regulations allowed the option of a project-
6 specific energy consumption model utility
7 allowance developed by qualified professionals
8 that are approved by the state housing tax credit
9 agency. In California that agency is the
10 California Tax Credit Allocation Committee.
11 That's an option that was a perfect fit for the
12 California Utility Allowance Calculator.

13 The IRS regulatory change allowed the
14 accelerated development of the calculator by
15 removing the requirement of utility approval from
16 the process.

17 In late August staff met with the
18 Executive Director of the Tax Credit Allocation
19 Committee. And as a result of that meeting, moved
20 forward on finalizing the utility allowance
21 calculator to coincide with the next round of
22 regulatory changes for the Tax Credit Allocation
23 Committee.

24 On October 22nd, staff held a workshop
25 to demonstrate the utility allowance calculator.

1 We made a special effort to reach out to the
2 affordable housing development and management
3 community. And as a result we had over 60
4 participants representing 40 public and private
5 agencies at that workshop. And the affordable
6 housing community's reaction was generally very
7 enthusiastic.

8 So, what will the approval of this
9 calculator mean to the California affordable
10 housing industry? The impact's going to be
11 situational, depending on decisions that
12 individual developers make.

13 Using the increased rent income for
14 operating expenses or even profit-taking will
15 result in an increased ability to maintain these
16 affordable housing projects. There will be less
17 deferred maintenance, that's one of the chronic
18 issues with affordable housing. Increased
19 financial stability for these projects. And a
20 possible increased attractiveness of these
21 projects as investments.

22 Using the increased net rent for debt
23 service will very likely result in increased
24 investment in cost effective, energy efficiency,
25 and solar investments.

1 For example, a smaller project, 15-unit
2 project, with just a \$15 increase in -- or
3 decrease in the utility allowance and increase in
4 the net rent will result in the ability to support
5 over \$100,000 in additional debt.

6 However, what that really means, given
7 the leveraging that goes into affordable housing
8 finance, that may be between \$400- and \$600,000 in
9 additional improvements to the project.

10 For the tenants they'll be trading off,
11 either depending on the developer's choices here,
12 either a better place to live, that is a better-
13 maintained place to live in all likelihood. Or a
14 more comfortable, energy efficient units that are
15 protecting them somewhat from utility cost
16 increases.

17 The utility allowance calculator means,
18 for California in general, more affordable housing
19 will be built that was not considered viable
20 previously because of the increased net cash flow.
21 More affordable housing will be built in certain
22 places where there's a deeper schism between the
23 previously calculated utility allowances and the
24 actual utility costs.

25 And there, of course, will be a

1 decreased energy consumption and greenhouse gas
2 emissions as a result of the adoption of more PV
3 systems and increased energy efficiency.

4 Do you have any questions at this point?

5 CHAIRPERSON PFANNENSTIEL: Are there
6 questions?

7 Let me just comment that in a past life
8 I worked in this area of trying to do the utility
9 calculations for affordable housing for public
10 agencies. And it was very difficult because the
11 people in public agencies don't know much about
12 utility bills and allowances. And so I think this
13 is just a -- besides being valuable, as it is, for
14 our solar program, I think it's a very valuable
15 contribution to the energy situation in
16 California.

17 COMMISSIONER ROSENFELD: One wonders, in
18 fact, why it took this long. But --

19 CHAIRPERSON PFANNENSTIEL: Well, partly
20 it's all federally -- the rules are federal and
21 the implementation tends to be county to county.
22 And so nobody really -- and the utilities had a
23 role, but weren't very enthused about it.

24 So I'm really glad that the Energy
25 Commission stepped up and made this contribution.

1 COMMISSIONER ROSENFELD: I'm really
2 glad, too. And I move item 8.

3 COMMISSIONER BYRON: Second.

4 CHAIRPERSON PFANNENSTIEL: All in favor?
5 (Ayes.)

6 CHAIRPERSON PFANNENSTIEL: Thank you
7 very much.

8 MR. OWNBY: Thank you.

9 CHAIRPERSON PFANNENSTIEL: That's a good
10 job.

11 Item 9, possible approval of interagency
12 agreement 500-08-018, -- and then the amount is
13 omitted from the agenda, let me read it in -- for
14 \$285,650, with the Regents of the University of
15 California at Davis, Center for Watershed
16 Sciences, for research on amphibian and related
17 species that are affected by hydropower
18 operations.

19 Good morning.

20 MR. O'HAGAN: Good morning, Chairman
21 Pfannenstiel and Commissioners. My name is Joe
22 O'Hagan; I'm in the research and development
23 environmental area.

24 And the proposed interagency agreement
25 before you that I'm asking your approval for is to

1 enhance and validate a model that is used to
2 evaluate the effects of hydropower discharges on a
3 amphibian species of special concern.

4 The overall objective of this proposal
5 is to provide decisionmakers dealing with the
6 hydropower relicensing projects a scientific tool
7 that they could better balance hydropower
8 generation and protection of the species.

9 As you know, nonfederal hydropower
10 projects in California need to be relicensed by
11 the Federal Energy Regulatory Commission. And
12 these licenses are for 30 to 50 years.

13 And over the last decade and over the
14 next decade, quite a few projects in California
15 will be up for relicensing. Within the next five
16 years it's about 1100 megawatts worth of
17 hydropower generation. And going out ten years
18 it's almost another 3000 megawatts.

19 The purpose of the interest in
20 protecting this specific amphibian, which is the
21 foothill yellow-legged frog, is that this is a
22 species of special concern, which is category just
23 below endangered or threatened. That this species
24 has suffered significant population declines. It
25 occurs from the bottom of the California Sierra

1 Nevada foothills up to about 6000 feet, which is
2 where most of our hydropower projects are located.

3 And these drastic declines in population
4 have been tied to hydropower operations. The
5 proposed model is to look at how ramping flows
6 from hydropower facilities affect the frogs when
7 they lay their eggs in the streambed, or tadpoles
8 get washed away, or stranded when flows decline.

9 This is a little bit over a two-year
10 proposed project. And there's a \$47,840 match
11 fund from the National Fish and Wildlife
12 Foundation for this research.

13 Thank you.

14 CHAIRPERSON PFANNENSTIEL: Are there
15 questions?

16 VICE CHAIRPERSON BOYD: A comment, if I
17 might, in definite support of this proposal. In a
18 previous life, myself, --

19 COMMISSIONER BYRON: As a tadpole?

20 (Laughter.)

21 VICE CHAIRPERSON BOYD: I have felt like
22 that on occasion. Both in the Resources Agency
23 and the Department of Fish and Game, dealing with
24 these questions, relative to FERC relicensing and
25 hydroplants, was a very lonely experience.

1 And when I was Deputy Secretary of
2 Resources and we got the Energy Commission more
3 involved, maybe over their protestations, in this
4 process, with the knowledge that they had and the
5 information they could get through this program,
6 the PIER program, it was extremely helpful to --
7 basically the only two agencies that did anything
8 in this arena were the Water Board and the
9 Department of Fish and Game. And the Resources
10 Agency was quite concerned about that.

11 So I am very supportive of the work and
12 appreciative of the work that has been done, and
13 the work that would be done under this contract.

14 So, thank you, Joe.

15 MR. O'HAGAN: Thank you, Commissioner
16 Boyd.

17 VICE CHAIRPERSON BOYD: And I guess I'll
18 move approval of it.

19 COMMISSIONER ROSENFELD: Second.

20 CHAIRPERSON PFANNENSTIEL: Before --
21 yes, --

22 COMMISSIONER BYRON: Well, Commissioner
23 Boyd, you know, long service in the state, has a
24 lot more knowledge about how this process works.
25 I've only been here a short period of time, but I

1 can -- I mean this kind of research and the
2 potential results are quite alarming, not being
3 aware of the impact that these dams are having.

4 And now seeing how this process works.
5 When this organization takes on research like
6 this, it oftentimes gets used later on, because
7 it's pretty definitive work.

8 And I think we should all pay attention
9 that this could be a potential problem here in
10 subsequent -- to subsequent Commissioners than
11 myself. Probably in a five- to ten-year timeframe
12 certainly these dams could be at risk.

13 So I certainly applaud the work, as
14 well. But it is troubling what the potential
15 results, the impact of the potential results could
16 be.

17 VICE CHAIRPERSON BOYD: Well, it's a
18 contest between dams at risk and the environment
19 at risk. So, we need to know the right answers.

20 COMMISSIONER BYRON: Absolutely.

21 CHAIRPERSON PFANNENSTIEL: Moved and
22 seconded. Any other further discussion?

23 All in favor?

24 (Ayes.)

25 CHAIRPERSON PFANNENSTIEL: Thank you.

1 MR. O'HAGAN: Thank you very much.

2 CHAIRPERSON PFANNENSTIEL: Okay,
3 approval of minutes. October 8th business meeting
4 without Commissioner Boyd. Somebody move the
5 minutes?

6 COMMISSIONER DOUGLAS: Move approval.

7 COMMISSIONER ROSENFELD: Second.

8 CHAIRPERSON PFANNENSTIEL: All in favor?

9 (Ayes.)

10 VICE CHAIRPERSON BOYD: Abstain.

11 CHAIRPERSON PFANNENSTIEL: Approval of
12 October 22nd business meeting without myself and
13 Commissioner Byron.

14 VICE CHAIRPERSON BOYD: Move approval.

15 COMMISSIONER ROSENFELD: Second.

16 CHAIRPERSON PFANNENSTIEL: In favor?

17 (Ayes.)

18 CHAIRPERSON PFANNENSTIEL: Abstain.

19 COMMISSIONER BYRON: Abstain.

20 CHAIRPERSON PFANNENSTIEL: Committee
21 discussions. Let me just say, just sort of
22 procedurally, we do have a couple of changes to
23 upcoming business meetings.

24 The November 19th business meeting,
25 which is actually our next one, has been moved to

1 the 20th. So it will be instead of a Wednesday
2 business meeting, it will be a rare Thursday
3 business meeting. So please make that change.

4 And we have decided to cancel the New
5 Years Eve business meeting. I know that will be
6 of great concern to people.

7 COMMISSIONER ROSENFELD: I really don't
8 have to erase it in my diary.

9 (Laughter.)

10 CHAIRPERSON PFANNENSTIEL: I think that
11 we can survive without doing --

12 VICE CHAIRPERSON BOYD: Probably was in
13 jeopardy anyway, huh?

14 CHAIRPERSON PFANNENSTIEL: Yeah, I think
15 it was probably in jeopardy. But I just thought
16 it was better for staff and parties to know in
17 advance that there will not be a business meeting.
18 So if something has to happen by the end of the
19 year, they have to do the mid-December business
20 meeting.

21 Other Commission discussion? Yes,
22 Commissioner Byron.

23 COMMISSIONER BYRON: I think it just
24 merits mentioning that yesterday was a rather
25 extraordinary day for this country with the

1 election of a new president. And will have, no
2 doubt, significant implications with regard to
3 energy issues going forward, and the work in this
4 state and this Commission.

5 So, I think --

6 CHAIRPERSON PFANNENSTIEL: I think we're
7 all waiting with bated breath to see the cabinet
8 and how the Administration shapes up.

9 COMMISSIONER BYRON: Um-hum. So, I just
10 think it's worthy of mention here that a C change
11 has taken place.

12 CHAIRPERSON PFANNENSTIEL: A C change,
13 indeed. Other discussion? No.

14 Chief Counsel report, Mr. Chamberlain.

15 CHIEF COUNSEL CHAMBERLAIN: Thank you,
16 Madam Chairman. Just very briefly, last week I
17 attended, along with Chairman Pfannenstiel,
18 meetings of the Western Interstate Energy Board
19 and the Committee on Regional Power Cooperation.

20 Those meeting were focused on some of
21 the same issues that you were talking about this
22 morning, how to get renewable power from the
23 remote locations that it exists in in the west to
24 the load centers. And the transmission upgrades
25 that are necessary.

1 There is a western renewable energy zone
2 project that the Western Governors Association has
3 asked the Interstate Energy Board to carry out.
4 It's a four-phase project. And the first phase
5 they've pretty much completed, which is
6 identification of the zones.

7 They're working now on the transmission
8 expansion plans. And the more difficult things
9 will be, of course, getting all the states
10 together to site these facilities. And then the
11 cost-allocation issues.

12 I think the hope is that the federal
13 government might come through to allow the super-
14 sizing, this is Doug Larsen's word -- super-sizing
15 of lines so that we be sure that in the rare, or
16 not rare, but the precious rights-of-way that we
17 can develop, that we develop all the transmission
18 that we need to get all of those renewable energy
19 resources, rather than finding ten years later
20 that now we have to build yet another line. That
21 there's even more opposition now. And so that was
22 all pretty interesting.

23 One of the things, I've been attending
24 these meetings for a long time, and in the past I
25 think my sense has always been that there's

1 renewable energy out there throughout the west,
2 and it all wants to come to California.

3 This meeting I started to hear a
4 somewhat different tone, which was that other
5 states are realizing, and perhaps this is a result
6 of the Western Climate Initiative, but other
7 states are increasing their renewable goals.

8 Colorado went from 10 percent to 20
9 percent. And is developing wind resources, or is
10 working on transmission to get wind resources from
11 Montana and Wyoming, where they actually have wind
12 that peaks during the daytime, that can be
13 combined with their more native wind that tends to
14 drop off during the daytime.

15 So, I think that there is a lot of low-
16 hanging fruit out there, and I hope that
17 California can get some of it.

18 CHAIRPERSON PFANNENSTIEL: Thanks, Bill.
19 It was my first meeting of both groups. And I was
20 extremely impressed by, I think, two items.

21 One is the fact that they are talking
22 regionally about so much of what we're talking
23 about within California. They have the same
24 climate concerns, the same need to interconnect.
25 I mean all of that. So, it was what we're saying

1 in California, but we're not the only ones saying
2 it, I guess, was the one point.

3 The other point is that there's a lot of
4 work, I mean actual work, underway right now to do
5 a lot of these regional interconnections. More
6 than I had realized.

7 There was at least on FERC Commissioner,
8 Suedeem was there when I left. I don't know if
9 the other Commissioner had arrived. So it is
10 clearly understood nationally that these regional
11 groups are going to make the difference. And they
12 are now getting very tactical about what their
13 first steps are going to be.

14 I just found it to be really an eye-
15 opening experience. We tend, or I tend to go
16 California to Washington, California to
17 Washington, and haven't spent as much time in the
18 regional activities as I should. And I'm, you
19 know, highly commend those activities to my other
20 Commissioners.

21 COMMISSIONER BYRON: If I may, we're
22 going to wrestle, or begin to wrestle with this
23 subject a little bit more in the Electricity and
24 Natural Gas Committee meeting today, as well, as
25 to the extent to which California should be

1 involved in those initiatives.

2 I mean we are, --

3 CHAIRPERSON PFANNENSTIEL: We are.

4 COMMISSIONER BYRON: -- but how much
5 more we should be involved with them, given the
6 other initiatives that we have internal to the
7 state. And the resources that we have here, as
8 well.

9 So, I think it's coming down to human
10 resources is the issue that Commissioner Boyd and
11 I will begin to wrestle with that a little bit
12 more this afternoon.

13 VICE CHAIRPERSON BOYD: I want to ask
14 Mr. Chamberlain a question. Bill, your comment
15 that this -- you know, that you're hearing more
16 discussions about everything not coming towards
17 California was interesting.

18 And it made me wonder how -- I mean
19 there is the Western Governors, through Governors
20 Richardson and Schwarzenegger, several years ago
21 passed an initiative and created what they call
22 CDEAC with goals and what-have-you.

23 Has there ever been, you know, an
24 interface between that totally ratified regional
25 goal and the work that's been going on in the

1 organizations you referenced?

2 CHIEF COUNSEL CHAMBERLAIN: Well, these
3 organizations really were the ones that were
4 responsible for carrying that out, in the same way
5 that now they're responsible for trying to get the
6 transmission in place to allow those resources to
7 be developed.

8 VICE CHAIRPERSON BOYD: Okay. My
9 concern was that maybe there wasn't a strong --

10 CHIEF COUNSEL CHAMBERLAIN: No, no, I
11 think --

12 VICE CHAIRPERSON BOYD: -- interaction.
13 And there is, all right. Very good.

14 CHAIRPERSON PFANNENSTIEL: Thank you,
15 Mr. Chamberlain.

16 Executive Director's report, Ms. Jones.

17 EXECUTIVE DIRECTOR JONES: Good morning.
18 In the interest of brevity I have nothing to
19 report today.

20 CHAIRPERSON PFANNENSTIEL: That's good
21 news.

22 Leg Director report. Marni.

23 MS. WEBER: Good morning, Chairman and
24 Commissioners. As Commissioner Byron noted, that
25 we had a general election yesterday. There were

1 two ballot initiatives that dealt with energy
2 issues. And I wanted to report that both of those
3 initiatives did not pass the electorate. And so
4 we'll not be seeing them further at this time.

5 That's it for today.

6 CHAIRPERSON PFANNENSTIEL: Thank you.

7 They'll probably be back.

8 Public Adviser report.

9 PUBLIC ADVISER MILLER: Good morning,
10 Chairman and Commissioners. I just have one item
11 to report that tomorrow I will be traveling to
12 Carlsbad. There is a community forum there being
13 put on by the city to provide information to their
14 community.

15 This follows a large mailing of
16 information. Unfortunately the mailer did not
17 provide adequate information on how the public can
18 become involved in our process here at the Energy
19 Commission.

20 And so my role is focus simply on
21 providing some accurate guidance to the public. I
22 anticipate at least a few hundred people will be
23 there. So it's an excellent opportunity to get
24 some important information out about the Energy
25 Commission's process and how to get people signed

1 up on our list.

2 That's all.

3 CHAIRPERSON PFANNENSTIEL: Thank you.

4 Public comment. I have one blue card
5 from a Dr. Marius Paul. Not here? Not on the
6 phone, okay.

7 Okay, if there's no other business to
8 come before us, we'll be adjourned.

9 (Whereupon, at 11:01 a.m., the business
10 meeting was adjourned.)

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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 10th day of November, 2008.



PETER PETTY