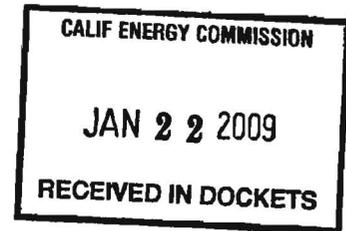


BUSINESS MEETING
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:)
)
Business Meeting)
-----)



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

WEDNESDAY, JANUARY 14, 2009

10:03 A.M.

ORIGINAL

Reported by:
Peter Petty
150-07-001

COMMISSIONERS PRESENT

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

Harriet Kallemeyn, Secretariat

Marc Pryor

Joseph Douglas

Rod Jones

Christopher Meyer

Larry Smith

Sarah Pittiglio

David Michel

Mark Hesters

Mazi Shirakh

PUBLIC ADVISER

Elena Miller

ALSO PRESENT

David H. Wright
City of Riverside

Jed Gibson
San Joaquin Solar 1 and 2 Hydro Project

ALSO PRESENT

Andrew C. Welch
Competitive Power Ventures, Inc.

Allan J. Thompson, Attorney
on behalf of Stirling Energy Systems Solar One
Project

Camille Champion
Stirling Energy Systems, Inc.

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

I N D E X

	Page
Proceedings	1
Items	1
1 Consent Calendar	1
2 City of Riverside	2
3 San Joaquin Solar 1 and 2 Power Project	7
4 CPV Vaca Station Power Plant	12
5 Stirling Energy Systems Solar One Project	17
6 Robert J. Watson Enterprises, Inc. (moved to future meeting)	1
7 New Point Group	21
8 University of Missouri, Columbia (moved to future meeting)	1
9 UC Santa Cruz	25
10 UC Davis	28
11 Portland State University	35
12 Electric Transmission-Related Data Requests	38
13 Nonresidential Building Standards Compliance Manual	42
14 Minutes	46
15 Commission Committee Presentations/ Discussions	46
16 Chief Counsel's Report	54
17 Executive Director's Report	54
18 Public Adviser's Report	54
19 Public Comment	55

I N D E X

	Page
Adjournment	55
Certificate of Reporter	56

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

2 10:03 a.m.

3 VICE CHAIRPERSON BOYD: Good morning,
4 everybody, and welcome. And happy new year, I
5 guess, this being the first meeting this January
6 14, 2009 meeting of the California Energy
7 Commission.

8 Please join me in the Pledge to the
9 flag.

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

12 VICE CHAIRPERSON BOYD: All right. The
13 agenda. There are two modifications to the
14 agenda. Items number 6 and 8 are off today's
15 agenda, postponed to a future meeting. Actually
16 probably our next meeting, which is -- I've
17 forgotten the date --

18 EXECUTIVE DIRECTOR JONES: The 28th.

19 VICE CHAIRPERSON BOYD: -- the 28th.
20 And with that there are no other changes or
21 alterations to the agenda.

22 We'll go to item number 1, consent
23 calendar. Is there a motion?

24 COMMISSIONER ROSENFELD: I move the
25 consent calendar.

1 COMMISSIONER BYRON: Second.

2 VICE CHAIRPERSON BOYD: There's been a
3 motion and a second.

4 All in favor say aye.

5 (Ayes.)

6 VICE CHAIRPERSON BOYD: Opposed? None.
7 The ayes have it. Thank you all very much.

8 Item number 2, City of Riverside.
9 Possible approval of the Executive Director's
10 recommendation that the City of Riverside's
11 contract with Shoshone Renaissance Geothermal
12 Project, Northern Utah, be found compliant with
13 the emissions performance standard for local
14 publicly owned utilities. Good morning.

15 MR. PRYOR: Good morning, Commissioners.
16 My name is Marc Pryor; I'm with the electricity
17 analysis office.

18 Staff is recommending the Energy
19 Commission find the City of Riverside's filing
20 pertaining to its newest contract with Shoshone
21 Renaissance signed this past December to be
22 compliant with SB-1368.

23 The 30-year contract is for the
24 remaining 32 megawatts of a total 96 megawatts
25 capacity of geothermal power plant in Utah.

1 This past summer the Energy Commission
2 found the City of Riverside's previous filing for
3 the first 64 megawatts from the same plant to be
4 compliant with SB-1368.

5 Representatives of the city are here
6 with us today and wish to make a short
7 presentation regarding the project and its
8 contribution to the city's renewable energy goals.

9 Unless the Commission has process or
10 legal questions that either I or Ms. DeCarlo to my
11 left can answer, I would like to ask Mr. David
12 Wright, Public Utilities General Manager for the
13 City of Riverside, to come forward.

14 VICE CHAIRPERSON BOYD: Mr. Wright,
15 welcome.

16 MR. WRIGHT: Thank you, Commission
17 Members and Staff. We were excited to be here
18 today; this is an exciting project to obtain
19 baseload geothermal renewable energy, and try to
20 ask for your approval to get that into our
21 resource mix.

22 Riverside's been very aggressive at
23 obtaining renewable resources. It's kind of
24 interesting. In 2001 we had zero renewable
25 resources. We've set a number of strategic goals

1 starting in 2001, and I'm going to read a couple
2 of those. And understand, we only have five goals
3 at any given time that we are working towards.

4 But starting in 2001 it was increase the
5 share of renewable generation in our portfolio. A
6 few years later provide environmental leadership
7 of renewable energy conservation and
8 sustainability.

9 And this last year adopted the goal of
10 be recognized locally and nationally as a leader
11 in clean energy and conservation. So we are
12 really trying to set a leadership kind of position
13 to move forward in showing how we can have a large
14 amount of renewables in our portfolio.

15 The city, as a whole, has adopted a
16 clean and green initiative that is, again, a
17 leader in cities in California on making sure all
18 city operations are clean and green.

19 We've adopted a renewable portfolio
20 standard that's pretty familiar now. A 20 percent
21 by 2010, 25 percent by 2015, and 33 percent by
22 2020.

23 Very excited to report with approval of
24 the 64 megawatts last summer we got to that 33 --
25 or we will be at that 33 percent level in 2011.

1 So nine years ahead of our goal.

2 With our other landfill gas, wind,
3 geothermal contracts we will actually now reach,
4 if you approve this, 50 percent renewable energy
5 by 2014. Might be 2013 if we can get that plant
6 up and running a little faster. But we're telling
7 everyone it's going to be 2014.

8 And I get to say we'll be the greenest
9 utility in southern California. Pretty amazing in
10 that most of our energy in the very recent past
11 came from coal energy. And we still will have
12 some coal power plant operations running. But we
13 are trying to do everything we can to move into
14 the renewable field as quickly as possible.

15 And are lucky, actually, to also have
16 some transmission nearby that we can upgrade
17 existing lines that go right by this location. We
18 understand that's also geographic realities that
19 we lucked out, a field right next to a
20 transmission path that we own and can upgrade.
21 And we can use all that to get to this 50 percent
22 level within five years from now.

23 So, with that I really would like to ask
24 your approval for this project to move forward.

25 Thank you very much.

1 VICE CHAIRPERSON BOYD: Thank you, Mr.
2 Wright. Your goals are commendable. Your
3 progress to date is even more than commendable.
4 You are to be congratulated and hopefully you've
5 set an example. You are a model for some of your
6 larger neighbors in southern California, utility
7 neighbors.

8 So, very good. Wish you luck in the
9 future.

10 MR. WRIGHT: Thank you.

11 COMMISSIONER BYRON: Mr. Wright, thank
12 you so much for coming. I don't think it's lucky
13 that you're by the transmission lines. You took
14 advantage of it, and I think that's great. And
15 just the way that you and your city have embraced
16 this is marvelous.

17 I assume that maybe all this information
18 is public, but can you give us a sense, this
19 Commission doesn't get into the cost of this very
20 much, can you give us a sense, is this going to
21 cost the city a lot of money?

22 MR. WRIGHT: Well, we think this is
23 about the best priced deal out there that anybody
24 could find. This is going to turn into 8-cent-an-
25 hour power, which is really good for renewable

1 baseload resource.

2 And I've got to compliment my staff who
3 went ahead of everybody else. And I think we've
4 got the best deal. I got to admit that. Like
5 you, we have great staff at Riverside backing us
6 up, like you do here. And our staff got a great
7 price for renewable energy.

8 COMMISSIONER BYRON: Good.

9 MR. WRIGHT: Thank you.

10 VICE CHAIRPERSON BOYD: Any other
11 questions?

12 COMMISSIONER BYRON: I'd certainly move
13 this item for approval.

14 COMMISSIONER DOUGLAS: Second it.

15 VICE CHAIRPERSON BOYD: There's a motion
16 and second.

17 All in favor?

18 (Ayes.)

19 VICE CHAIRPERSON BOYD: Opposed? None.
20 It's unanimously approved. Congratulations to
21 Riverside and to Mr. Wright.

22 Agenda item number 3. San Joaquin Solar
23 1 and 2 Power Project. Possible approval of the
24 Executive Director's data adequacy recommendation.
25 Good morning.

1 MR. GIBSON: Good morning. My name is
2 Jed Gibson; I'm here on behalf of the San Joaquin
3 Solar 1 and 2 Hybrid project. We are not
4 contesting the staff's finding of inadequacy, but
5 we do disagree with three specific findings in the
6 staff's recommendation.

7 VICE CHAIRPERSON BOYD: Well, let's hear
8 from the staff first, --

9 MR. GIBSON: Okay.

10 VICE CHAIRPERSON BOYD: -- as is
11 customary, and then let the -- I'm glad to learn
12 ahead of time you're concurring.

13 MR. GIBSON: No problem.

14 VICE CHAIRPERSON BOYD: Staff.

15 MR. DOUGLAS: Hi, I'm Joe Douglas, the
16 Project Manager for this project. San Joaquin
17 Solar 1 and 2 is a 106 megawatt renewable energy
18 project located in southwestern Fresno County near
19 the City of Coalinga. And it's a biomass solar
20 project.

21 We found it, based on review from staff,
22 deficient in 11 areas. And the Executive
23 Director's recommendation at this time it is not
24 data adequate.

25 VICE CHAIRPERSON BOYD: Okay, now would

1 you like to finish your presentation.

2 MR. GIBSON: Yes. And I apologize for
3 cutting you off there. As I said, we are not
4 contesting the staff's finding of inadequacy, but
5 there are three specific findings within staff's
6 recommendation that we disagree with.

7 We are currently working with staff to
8 resolve these issues, and we ask that the
9 Commission defer judgment on these specific issues
10 until the next opportunity.

11 I can go through the specifics that we
12 disagree with, if you would like.

13 VICE CHAIRPERSON BOYD: I frankly don't
14 think that would be valuable today. I think,
15 since you concur with the staff's recommendation,
16 we'll have to take an action in any event today,
17 but it won't prejudice you with regard to the
18 issues. You resolve them all with the staff to
19 their satisfaction. If they bring us back a
20 recommendation to find you data adequate, perhaps
21 at the very next meeting, then we'll act on that.

22 But we won't adjudicate today that data
23 differences. I'm pleased to hear you feel good
24 about at least three of the points. And I'm sure
25 you'll be able to make that point to the staff.

1 Unless some member of the Commission
2 would like to hear these individual items it's
3 better we read and hear it all at a subsequent
4 meeting, I would think.

5 COMMISSIONER BYRON: I certainly prefer
6 to get written response from you in terms of what
7 your concerns are. I think that's much more
8 helpful to this Commission in determining, making
9 a ruling on the staff's recommendation.

10 MR. GIBSON: Okay. So will there be a
11 determination today then, or would you like us to
12 submit something in writing and then defer
13 judgment until then?

14 VICE CHAIRPERSON BOYD: Well, let's just
15 say practice usually is to agree with our staff in
16 a finding of noncompliance. But, our attorney
17 would like to advise us before I say too much.

18 MR. CHAMBERLAIN: The statute requires
19 the Commission to provide a list of those items
20 that are not data adequate. And basically it's a,
21 as you get more and more things data adequate that
22 list shrinks.

23 So, in order to maintain the staff's
24 position we would have to include their list of 11
25 today. But that is without prejudice, as the

1 Chairman said, to your contentions should you
2 clear the other eight. And it's only a matter of
3 your disagreement with the staff on those three,
4 the Commission could then hear that.

5 MR. GIBSON: Okay.

6 VICE CHAIRPERSON BOYD: So, with that
7 advice from our legal counsel, and with reference
8 to the memo we have from our Executive Director
9 dated December 23rd recommending that the
10 Commission adopt the list of deficiencies, not
11 accept the AFC as complete until this additional
12 information, as specified, is provided.

13 Do I hear any recommendation from my
14 fellow Commissioners?

15 COMMISSIONER BYRON: I move we accept
16 the staff recommendation of data inadequacy.

17 COMMISSIONER ROSENFELD: Second.

18 VICE CHAIRPERSON BOYD: There's been a
19 motion and a second to accept the staff
20 recommendation.

21 All in favor?

22 (Ayes.)

23 VICE CHAIRPERSON BOYD: Any opposed?

24 None. Thank you.

25 So, you're free now to work out this

1 issue with the staff. And at the satisfaction or
2 lack of satisfaction, the staff will bring the
3 issue back to us. Thank you.

4 Next item, item number 4. CPV Vaca
5 Station Power Plant. Again, possible approval of
6 the Executive Director's data adequacy
7 recommendation for the CPV Vaca Station Power
8 Plant, a nominal 660 megawatt, combined cycle
9 facility to be located, if built, on land owned by
10 the City of Vacaville. Staff.

11 MR. JONES: Good morning, Commissioners.
12 I'm Rod Jones, Staff Project Manager for the CPV
13 Vaca Station AFC.

14 On November 18, 2008, CPV Vacaville,
15 LLC, submitted an application for certification to
16 the California Energy Commission to construct and
17 operate an electrical generating plant in the City
18 of Vacaville, Solano County, California.

19 The CPV Vaca Station would be a combined
20 cycle, nominal 660 megawatt power generation
21 facility. The proposed merchant generation
22 project would be located on a 24-acre parcel owned
23 by the City of Vacaville, located in a rural area
24 within the city limits of Vacaville.

25 On the northwest of the site is the City

1 of Vacaville's wastewater treatment plant. And on
2 the east, west and south is agricultural use.

3 The project site is currently vacant.
4 Historically it has been used for corn and other
5 row crop agricultural production.

6 The project would include either two
7 General Electric Frame 740 or two Siemens SGT6
8 5000 combustion turbine generators, a single
9 condensing steam turbine generator, a de-aerating
10 surface condenser, a 12-cell mechanical draft
11 cooling tower and associated supportive equipment.

12 The emission reduction system would
13 include a selective catalytic reduction unit to
14 control nitrogen oxide, stack emissions and
15 oxidation catalyst to control carbon monoxide and
16 volatile organic compounds emissions.

17 The project's water supply consists of
18 reclaimed water, secondary treated wastewater from
19 the City's wastewater treatment plant. The
20 wastewater supply from the water treatment plant
21 would be treated onsite to meet California Title
22 22 requirements for the industrial use of
23 secondary treated wastewaters.

24 The project would use a small amount of
25 the local municipal drinking water supply for

1 plant personnel potable water uses.

2 If approved, construction of the project
3 would begin in the spring of 2011 and would last
4 for 30 months. Preoperational testing of the
5 power plant will begin in the fall of 2012, with
6 full scale operation commencing by spring 2013.

7 CPV expects to project the project to
8 provide approximately 665 construction jobs and 31
9 permanent jobs.

10 Staff's evaluation of the AFC was
11 submitted to the Executive Director, whose
12 recommendation is before you. The Executive
13 Director has determined that the AFC does not meet
14 all the requirements listed in Title 20, section
15 1704, in division 2, chapter 5, appendix B of the
16 California Code of Regulations for the 12-month
17 process.

18 Therefore, we recommend that the Energy
19 Commission find the AFC inadequate and adopt the
20 attached list of deficiencies. Of the following
21 23 technical disciplines reviewed, we believe the
22 information contained in the AFC was deficient in
23 seven areas:

24 Air quality; cultural resources; land
25 use; noise; traffic and transportation;

1 transmission system design; and visual resources.

2 Staff received the AFC supplement, which
3 was filed last Friday, and are reviewing the
4 material provided for each technical area as
5 quickly as possible with the current workload.

6 Are there any questions of the staff and
7 the applicant? Andy Welch is here representing
8 CPV.

9 VICE CHAIRPERSON BOYD: First let me ask
10 the Commissioners if they have any questions of
11 staff; then we'll hear from the applicant.

12 COMMISSIONER BYRON: One quick question,
13 Mr. Jones. There are seven areas inadequate, but
14 as I look through the specifics it looks like
15 they're pretty close. You say applicant responded
16 on Friday of last week, you just haven't had a
17 chance to review it all yet?

18 MR. JONES: We have taken a preliminary
19 review, if you will. But it appears as though
20 we're heading in the right direction in terms of
21 becoming data adequate.

22 COMMISSIONER BYRON: All right. We'll
23 hear from the applicant, I'm sure, as well.

24 VICE CHAIRPERSON BOYD: Okay. Yes, sir.

25 MR. WELCH: Thank you. Good morning,

1 I'm Andrew Welch; I'm Project Manager for this CPV
2 Vaca Station project. Just say that we are not
3 contesting staff's view, and in fact to their list
4 of inadequacies, as mentioned, we've filed a
5 supplement last week.

6 Understand they have not had a chance to
7 review that. We're confident, when they do, that
8 we will then have reached the threshold for data
9 adequacy; and hopefully see you all very shortly
10 for that decision.

11 VICE CHAIRPERSON BOYD: Okay, thank you
12 very much. Any questions of the applicant?

13 We have a recommendation from our
14 Executive Director before us, as summarized by the
15 staff. Any comments, or anyone like to make a
16 motion?

17 COMMISSIONER DOUGLAS: I move that we
18 approve the staff recommendation that the
19 project's data inadequate.

20 COMMISSIONER BYRON: Second.

21 VICE CHAIRPERSON BOYD: We have a motion
22 and a second.

23 All in favor?

24 (Ayes.)

25 VICE CHAIRPERSON BOYD: Any opposed?

1 None. It's unanimous agreement with the staff,
2 but with the hopeful expectation we'll see you
3 here soon with everything resolved.

4 MR. WELCH: Thank you very much.

5 VICE CHAIRPERSON BOYD: Thank you very
6 much.

7 MR. JONES: Thank you.

8 VICE CHAIRPERSON BOYD: All right. Item
9 number 5, Stirling Energy Systems Solar One
10 project. Again, possible approval of the
11 Executive Director's data adequacy recommendations
12 for Stirling Energy System's Solar Three and
13 Stirling Energy System's Solar Six application for
14 certification of Solar Energy System One, a
15 nominally 50 megawatt project on 8230 acres of
16 public land managed by the BLM in San Bernardino
17 County. That's a mouthful.

18 Staff.

19 MR. MEYER: Good morning, Commissioners.
20 Christopher Meyer. I'll be the Staff's Project
21 Manager for the Solar One project.

22 Since you gave a pretty good synopsis of
23 what the project is, I'll just basically go on
24 saying that the Solar One project, which the
25 technology many of you are familiar with from the

1 Solar Two project, which is -- we already have
2 inhouse.

3 It will be constructed in two phases.
4 Phase one, 500 megawatts; and phase two, if
5 approved, will go out to the full 850 megawatts.
6 There will be a new 230 kV substation
7 approximately in the center of the site. And
8 it'll connect to the Pisgah Substation run by
9 Southern California Edison that's directly
10 adjacent to the site. So the connection's only
11 about, I think .14 miles from the edge of the
12 project site.

13 The project, to go to the full 850
14 megawatts, including phase two, would require the
15 reconductoring of about 65 miles of transmission
16 line upgraded from 220 to 500 kV, which will be
17 looked at by the CPUC.

18 Staff identified 15 areas as data
19 inadequate. And we provided these worksheets to
20 the applicant on the 31st. And at this point
21 staff recommends that the Energy Commission adopt
22 the list of deficiencies in the Executive
23 Director's memorandum at this point.

24 I can also state that, talking to the
25 applicant today, they are anticipating that the

1 supplement to the AFC will be coming to us towards
2 the end of March.

3 And Camille Champion is here from SES
4 Solar One to answer any of your questions.

5 VICE CHAIRPERSON BOYD: Okay. First,
6 let me ask if the staff has any questions -- if
7 the Commission has any questions of the staff.
8 Seeing none, we'll call upon the applicant for a
9 presentation.

10 MR. THOMPSON: Thank you, Commissioner
11 Boyd. We do not have any issues with the staff
12 recommendation. We accept it. We're working on
13 it. And I would like to ask Camille Champion, who
14 is an employee of SES and Project Manager, to say
15 a few words.

16 MS. CHAMPION: Right. And, again, in
17 agreement with Allan Thompson, our attorney
18 representing Stirling Energy Systems, we agree and
19 do not contest the recommendation presented to us
20 today.

21 And we'd just like to thank the staff
22 for the hard work they've put forth on reviewing
23 the AFC, which was filed right prior to the
24 holidays. And we are looking forward to
25 proceeding on responding to the 15 areas where we

1 are data inadequate. And as Chris Meyer has
2 stated, by the end of March, to submit a
3 supplement to our filing.

4 VICE CHAIRPERSON BOYD: Okay, thank you.
5 Any questions of the applicant?

6 Hearing none, we have an action
7 recommended by our Executive Director to us to
8 find the -- to approve the list of deficiencies,
9 and not accept the AFC until additional
10 information is before us. Is there a motion?

11 COMMISSIONER BYRON: I move we accept
12 the recommendation for data inadequacy.

13 COMMISSIONER DOUGLAS: Second.

14 VICE CHAIRPERSON BOYD: There's a motion
15 and a second.

16 All in favor?

17 (Ayes.)

18 VICE CHAIRPERSON BOYD: Any opposed? No
19 opposed. The Executive Director's recommendation
20 is approved. And we look forward to seeing you
21 back with all the issues resolved, perhaps.

22 MR. THOMPSON: As do we, thank you.

23 MS. CHAMPION: Thanks.

24 MR. MEYER: Thank you, Commissioners.

25 VICE CHAIRPERSON BOYD: All right. Item

1 7, New Point Group. Possible approval of purchase
2 order 08-409.00-007 for \$218,475 with New Point
3 Group to develop an FSR for a fully integrated
4 enterprise system. Good morning.

5 MR. SMITH: Good morning, Commissioners.
6 My name is Larry Smith; I'm the Information
7 Technology Services Branch Manager.

8 And I'm seeking approval for the Energy
9 Commission to enter into an agreement with New
10 Point Group to provide analytical and
11 administrative support to develop a feasibility
12 study report, a corresponding request for quote or
13 offer, and information technology procurement
14 plan.

15 The feasibility study report will
16 identify a solution for the Commission enterprise
17 tracking system, or what we term as COMETS. And
18 that is a fully integrated and Commission-wide
19 system that encompasses the programmatic and
20 administrative processes for tracking Energy
21 Commission projects.

22 The feasibility study report must be
23 approved by the Energy Commission, Resources
24 Agency and the California Office of the Chief
25 Information Officer.

1 The Energy Commission envisions the
2 COMETS system being a data collection repository
3 for program and investment information that will
4 eventually touch all project activities within the
5 Commission.

6 The volume of program and investment
7 activity and the nature of the project
8 expenditures currently managed by the fuels and
9 transportation division and the energy research
10 and development division, and other divisions,
11 require efficient and timely processing, thorough
12 documentation and a robust reporting.

13 The Energy Commission intends to use the
14 COMETS information to manage the creation of
15 projects, monitor and evaluate the achievements of
16 project program goals, and provide project
17 evaluation and closure.

18 The Legislature contractors loan and
19 grant recipients, the Energy Commission research
20 and development, and policy advisory committees
21 will be informed on how and where the appropriated
22 money is being spent, along with the programmatic
23 results of those expenditures.

24 This agreement resulted from a request
25 for offer made under the Department of General

1 Services master services agreement. The
2 Commission issued the request for offer for the
3 contractor to develop business requirements and
4 objectives, conduct a product assessment for
5 potential existing systems, include these findings
6 into a feasibility study report. And then based
7 upon the proposed and accepted solution from the
8 FSR they will create either a request for quote or
9 offer, whichever is appropriate, in the
10 corresponding information technology procurement
11 plan that will be delivered to the Department of
12 General Services.

13 Four offers were received and evaluated
14 for the request for offer. And today I'm
15 requesting the approval of the purchase order with
16 New Point Group in the amount of \$218,475 for up
17 to 24 months.

18 Thank you. And is there any questions?

19 VICE CHAIRPERSON BOYD: Thank you, Mr.
20 Smith. Any questions from the Commissioners?

21 COMMISSIONER BYRON: You may have said
22 this, and I apologize, Mr. Smith, was this
23 reviewed by any of the Commission's Committees,
24 this work?

25 MR. SMITH: Yes.

1 COMMISSIONER BYRON: Which committee?

2 VICE CHAIRPERSON BOYD: The Budget and
3 Management Committee.

4 EXECUTIVE DIRECTOR JONES: The Budget
5 and Management Committee --

6 COMMISSIONER BYRON: All right.

7 EXECUTIVE DIRECTOR JONES: -- would
8 review this expenditure.

9 COMMISSIONER BYRON: Thank you.

10 EXECUTIVE DIRECTOR JONES: And we talked
11 to the other committees that are affected by it,
12 PIER, Transportation, et cetera.

13 VICE CHAIRPERSON BOYD: Any other
14 question?

15 COMMISSIONER BYRON: Yeah. It does
16 appear as though that we're dependent upon this
17 recommendation in order to implement a system that
18 will assist with the implementation of the AB-118
19 funds.

20 Forgive me, I forget when that starts.
21 But isn't it as early as next year?

22 MR. SMITH: We have an interim solution
23 currently being put in place. This will be a
24 long-term and final solution overall. And
25 encompasses the PIER, AB-118, and eventually all

1 projects within the Commission.

2 But this is a long-term solution. We
3 already have a short-term solution for AB-118.

4 COMMISSIONER BYRON: Good.

5 VICE CHAIRPERSON BOYD: Actually,
6 Commissioner, we're hoping money starts going out
7 the door this year, sooner this year rather than
8 later this year.

9 COMMISSIONER BYRON: Thank you for that
10 correction.

11 VICE CHAIRPERSON BOYD: Well, it's a new
12 year suddenly.

13 All right, there's an item before us.
14 Do we have a motion?

15 COMMISSIONER DOUGLAS: Move approval.

16 VICE CHAIRPERSON BOYD: A second?

17 COMMISSIONER BYRON: Second.

18 VICE CHAIRPERSON BOYD: All in favor?

19 (Ayes.)

20 VICE CHAIRPERSON BOYD: Opposed? None.

21 It's a unanimous approval. Thank you, Mr. Smith.

22 MR. SMITH: Thank you, Commissioners.

23 VICE CHAIRPERSON BOYD: Item number 9,
24 University of California at Santa Cruz. Possible
25 approval of competitive grant agreement PIR-08-03

1 awarding \$68,275 to the Regents of the University
2 of California at Santa Cruz -- I'm just going to
3 say to engage in climate change work and let the
4 staff explain it to us. Good morning.

5 MS. PITTIGLIO: Good morning,
6 Commissioners. My name is Sarah Pittiglio; I'm
7 with the Public Interest Energy Research program.

8 The next two projects that I'm going to
9 present came out of a solicitation that we
10 released in March of 2008. There were six topics
11 in the solicitation related to climate change for
12 a total of 2.9 million.

13 We received 35 applications. We
14 reviewed all the applications and the highest
15 ranked applications were awarded. The total
16 amount awarded was 2.7 million for ten projects.

17 And the two projects that I will present
18 are the last two that will go through the business
19 meeting. You've already seen the first eight and
20 they were all approved.

21 So this first project is with UC Santa
22 Cruz. Their researchers plan to investigate the
23 dynamics of ongoing rain shifts for the valley oak
24 in the central valley of California.

25 They will re-survey 20 historical sites

1 that have been surveyed over the past 20 years.
2 And then using that data they'll create a model
3 that will predict future range scenarios for the
4 valley oak.

5 And then they will establish 20 new
6 sites in areas where the model predicts expansion
7 or contraction of the valley oaks.

8 The valley oak is an excellent species
9 for this type of work since its distribution seems
10 to be climate limited. In addition, a lot of
11 management and restoration and observation effort
12 has gone into preserving the valley oaks because
13 of their ecological, economic and cultural value.

14 In order to plan for adaptation we first
15 need to know the effects of climate change. And
16 the results from this project will be important as
17 inputs for future climate models that incorporate
18 terrestrial, as well as climatic, variables since
19 vegetation can have a huge effect on local
20 climate, be it albedo and transpiration.

21 These integrated climate models will be
22 an important tool for predicting future energy
23 demand and water supplies for electricity
24 generation.

25 I'm happy to answer any questions you

1 have.

2 VICE CHAIRPERSON BOYD: Thank you, Ms.
3 Pittiglio. Any questions from the Commissioners?

4 COMMISSIONER DOUGLAS: No.

5 VICE CHAIRPERSON BOYD: We have an item
6 before us, is there a motion?

7 COMMISSIONER ROSENFELD: I'm ready to
8 move the -- both items or --

9 VICE CHAIRPERSON BOYD: No, just one at
10 a time.

11 COMMISSIONER ROSENFELD: One at a time.

12 VICE CHAIRPERSON BOYD: I haven't read
13 the other one into the record yet.

14 COMMISSIONER BYRON: Second. Second the
15 item.

16 VICE CHAIRPERSON BOYD: There's a motion
17 and a second.

18 All in favor?

19 (Ayes.)

20 VICE CHAIRPERSON BOYD: Opposed? None.
21 Item is approved unanimously.

22 Now, item number 10 on the agenda, UC
23 Davis, possible approval of a competitive granted
24 agreement, PIR-08-007, awarding \$262,323 to the
25 Regents of the University of California at Davis,

1 again on climate change-related work relative to
2 greenhouse gas emissions. Ms. Pittiglio.

3 MS. PITTIGLIO: This study proposes to
4 conduct indepth case studies of greenhouse gas
5 reduction opportunities in five California cities
6 that have voluntarily joined the California
7 Climate Action Registry.

8 The cities include Los Angeles, Santa
9 Monica, San Francisco, Berkeley and Arcata. These
10 cities were chosen because they have all committed
11 to reducing their emissions and they represent
12 diversity in size, location, density, land use
13 patterns, transportation systems and growth rate.

14 The effectiveness of local strategies to
15 reduce greenhouse gas emissions is highly context-
16 specific. The cities have different challenges
17 that they face and different opportunities for
18 reducing emissions. And estimates from previous
19 research, which has mostly been done in Europe,
20 have seen results from either no effect to
21 emission reductions of up to 25 percent for the
22 exact same policy depending on local context.

23 In order to effectively reduce
24 greenhouse gas emissions to the state's targets
25 for 2020 and 2050 it's important to tailor

1 strategies to the communities where they are being
2 implemented.

3 The focus of this study will be on the
4 transportation and building sectors in these
5 cities. The study will include background
6 analysis of political drivers, barriers,
7 adaptation, inventories of emissions and a
8 critique of the current climate action plan.

9 The final report will summarize the
10 results and hopefully be a useful tool for local
11 governments that are interested in implementing
12 greenhouse gas reduction strategies.

13 I'm happy to answer any questions you
14 have.

15 VICE CHAIRPERSON BOYD: Thank you. Any
16 questions?

17 COMMISSIONER DOUGLAS: I do have a
18 question. You know, as I look at these cities and
19 think about the criteria that you've listed,
20 particularly diversity in size, location, et
21 cetera, it seems to me that one could argue that
22 there is less diversity between these cities than
23 there are between these cities and some others.

24 For example, there are no inland cities
25 on this list. There are no, I would say none of

1 the fastest growing cities in California are on
2 this list. Fastest growing being, say, Inland
3 Empire, some of the central valley cities.

4 And some of these inland cities do have
5 Registry membership or other plans to reduce their
6 carbon footprint. Particularly say Stockton and
7 Sacramento are two examples.

8 So I was just interested in the choice
9 of cities, and wondering if you had considered say
10 a more inland example.

11 MS. PITTIGLIO: Yeah, actually after my
12 briefing with Panama, he brought up the same
13 concern. And I contacted the PIs and they agreed
14 they -- I mean these were just the primary
15 choices, but they were certainly open to looking
16 at different cities in their study.

17 And one of the reason is they wanted to
18 use cities that were a part of the California
19 Climate Action Registry. Also -- yes, so I think
20 they were having trouble finding inland cities
21 that were a part of the Registry.

22 But they are certainly -- they are
23 interested in using cities in the valley, as well.

24 COMMISSIONER DOUGLAS: Well, it just
25 depends on what, you know, we're really expecting

1 and hoping to get out of the study. But certainly
2 finding ways to effectively foster and encourage
3 regional action in inland cities where, again, so
4 much growth is actually taking place. And where
5 some of the political drivers and other factors
6 that might influence success may, in fact, be
7 different than with the coastal cities.

8 I think it would be valuable to have an
9 inland city. That is not to say that you
10 absolutely must, but I think it would be valuable
11 to give it serious consideration.

12 MS. PITTIGLIO: Yeah, no, that's
13 definitely something they would consider.

14 VICE CHAIRPERSON BOYD: I noticed the
15 criteria made reference to membership either in
16 the California Climate Action Registry or in
17 ICLEI. And -- pardon me for using -- it's the
18 Cities for Climate Protection. Don't ask me to
19 explain the acronym.

20 COMMISSIONER BYRON: I saw it, as well.

21 VICE CHAIRPERSON BOYD: Well, I'm
22 familiar with it. I just don't ever try to
23 remember it.

24 In any event, I think Commissioner
25 Douglas' point is a good one, and hopefully you

1 can work with the investigators to see that.
2 Because we do need that kind of contrast. We do
3 need to recognize the burgeoning problems of the
4 inland cities, which I'm going to have to agree,
5 are, indeed, the most rapidly growing cities and
6 probably could use the help.

7 So hopefully some of this will be
8 documentation of what might be some successes that
9 could be exported to other communities.

10 But in any event, you've responded to
11 the question. Commissioner Douglas, any other
12 questions?

13 COMMISSIONER DOUGLAS: No, that's it.

14 VICE CHAIRPERSON BOYD: Okay. Any
15 other? Commissioner Byron?

16 COMMISSIONER BYRON: Yes, thank you. I
17 think both those comments are very good. And I
18 found myself focusing in on the lessons learned
19 from this and how that will be communicated to
20 other cities.

21 As we saw today, the City of Riverside
22 is certainly embracing the policies of the state
23 with regard to renewables.

24 I think, as your results become
25 available, you're going to find an interest on the

1 part of cities in these kinds of lessons. I
2 really hope you'll think about and consider some
3 sort of widespread workshop or workshops whereby
4 this information can be communicated with cities
5 that are interested in it.

6 MS. PITTIGLIO: Yes, certainly. And
7 there's also already been a lot of interest within
8 the Commission, as well, so we'll likely have
9 workshops here.

10 VICE CHAIRPERSON BOYD: Well, this is
11 definitely a piece of our concerns for land use
12 planning and land use and transportation planning,
13 et cetera. So it's timely and relevant to a lot
14 of the work we're doing in climate change, as well
15 as within our own Integrated Energy Policy Report
16 in the 2009, if not the 2010 and future reports.

17 So, in any event, thank you for your
18 responses. Any other questions?

19 COMMISSIONER ROSENFELD: I move item 10.

20 COMMISSIONER DOUGLAS: Second.

21 VICE CHAIRPERSON BOYD: There's a motion
22 and a second.

23 All in favor?

24 (Ayes.)

25 VICE CHAIRPERSON BOYD: Opposed? None.

1 Thank you and you can take back to the
2 investigators and the University the interest and
3 concerns of the Commission. And so --

4 MS. PITTIGLIO: Yeah, thank you very
5 much.

6 VICE CHAIRPERSON BOYD: -- thank you.
7 Thank you, Sarah.

8 Item number 11, Portland State
9 University. Possible approval of contract 500-08-
10 024 for \$1,213,787 with Portland State University
11 to apply advanced analytical techniques to
12 residential energy use.

13 And we have Mr. Michel.

14 MR. MICHEL: Good morning,
15 Commissioners. This proposed project with
16 Portland State University, led by Loren
17 Lutzenhiser, will conduct an assessment of
18 residential energy consumption and energy
19 technology preferences.

20 Mr. Lutzenhiser has worked successfully
21 with the Energy Commission specifically with the
22 demand analysis office. And staff from the demand
23 analysis office has helped in scoping the proposed
24 work. And will also benefit from the results of
25 this research. Other entities interested in the

1 results include the California Air Resources
2 Board.

3 Some specific research topics will
4 include looking into what combinations of building
5 types, appliances and behavior will produce high
6 and low energy consumption.

7 Also they'll look into the dynamics
8 behind home remodeling decisions and appliance
9 buying decisions. The work will also look into
10 heating and cooling behavior and setting
11 thermostats.

12 Additionally, under what circumstances
13 are customers induced in conserving energy. These
14 are all the issues that we'll look into with also
15 additional areas, as well.

16 Staff recommends that this 36-month
17 project be considered by the Commission, and we
18 seek approval. Any questions?

19 VICE CHAIRPERSON BOYD: I have one
20 question, pure process and procedure. The agenda
21 makes reference to a different figure dollarwise
22 than your cover sheet does. The cover sheet says
23 \$1,250,000; the agenda said the \$1,213,et cetera,
24 that I referenced. Which of these are correct
25 numbers?

1 MR. MICHEL: It is the \$1,213,787.

2 VICE CHAIRPERSON BOYD: Okay, thank you.
3 Any questions?

4 COMMISSIONER BYRON: I just realized one
5 that I had, Mr. Michel. And it may be in here
6 because I didn't look for it earlier. But noting
7 this is Portland State, where will the survey be
8 conducted and what residences?

9 MR. MICHEL: It will be conducted in
10 California with residences.

11 COMMISSIONER BYRON: We're so unique and
12 different I want to make sure we survey
13 Californians.

14 MR. MICHEL: Yes.

15 VICE CHAIRPERSON BOYD: Well, those
16 Portland folks aren't too bad. Anyway, --

17 COMMISSIONER ROSENFELD: Dave, --

18 MR. MICHEL: Yes.

19 COMMISSIONER ROSENFELD: -- I should
20 have talked to you earlier about this, but this
21 being California, we are going to have time-
22 dependent pricing starting in 2011. And so, of
23 course, people's responses will have extra
24 complication that there are going to be high
25 prices every summer afternoon, and very high

1 prices (inaudible).

2 I assume you're in pretty good touch
3 with all that?

4 MR. MICHEL: Yes. And that is one
5 specific area they will also be looking into. And
6 with also other enabling devices to take advantage
7 of time-of-use charges.

8 COMMISSIONER ROSENFELD: Good.

9 VICE CHAIRPERSON BOYD: Any other
10 questions?

11 COMMISSIONER ROSENFELD: I'm ready to
12 move item 11.

13 VICE CHAIRPERSON BOYD: There's a
14 motion.

15 COMMISSIONER BYRON: Second.

16 VICE CHAIRPERSON BOYD: And a second.

17 All in favor?

18 (Ayes.)

19 VICE CHAIRPERSON BOYD: Opposed? None.
20 It's approved, thank you.

21 MR. MICHEL: Thank you, Commissioners.

22 VICE CHAIRPERSON BOYD: Item number 12,
23 electric transmission-related data requests.
24 Possible adoption of forms and instructions for
25 submitting electric transmission-related data.

1 This relates to the needs of the 2009 Integrated
2 Energy Policy Report and the Strategic Investment
3 Plan of the same year. And Mr. Hesters will
4 present the item.

5 MR. HESTERS: Good morning,
6 Commissioners. I'm Mark Hesters with the siting
7 transmission and environmental protection
8 division.

9 Just wanted to give you a brief
10 background on this. This is the --

11 COMMISSIONER ROSENFELD: Mark, can you
12 speak up a just a little?

13 MR. HESTERS: Oh, yeah. Just wanted to
14 give you a brief background on this. This is the
15 third edition of the electric transmission data
16 requests which we use to develop the strategic
17 transmission investment plan and the Integrated
18 Energy Policy Report.

19 The first edition was actually rolled
20 into the, what is it, loads and resources forms
21 and instructions. The second one we actually
22 broke them out on their own. And this is the
23 third time we have them, and they're actually
24 again broken out on their own.

25 As background we published the draft

1 requests on November 20th. We then held a
2 workshop on December 4th and requested written
3 comments from stakeholders by December 18th.

4 We think we set a record for IEPR-
5 related workshops with a 20-minute workshop on the
6 data requests. We received two sets of written
7 comments, one from Southern California Edison and
8 one from Pacific Gas and Electric. These resulted
9 in very minor changes in the data requests.

10 We then published the final transmission
11 data -- the Committee final data requests on
12 December 29th. And today we're asking for
13 approval of the final.

14 VICE CHAIRPERSON BOYD: Okay. Any
15 questions? I almost feel uncomfortable that you
16 had such little disagreement --

17 (Laughter.)

18 VICE CHAIRPERSON BOYD: -- with people
19 who have been historically disagreeable on this
20 topic. But I guess it means we've made progress,
21 so congratulations.

22 COMMISSIONER BYRON: Well, and also, you
23 know, we should be more aware of which workshops
24 we should attend. That was a 20-minute workshop
25 or so? I understand yesterday's workshop went

1 till about 4:30.

2 VICE CHAIRPERSON BOYD: Right.

3 COMMISSIONER DOUGLAS: It did.

4 VICE CHAIRPERSON BOYD: It did.

5 COMMISSIONER BYRON: Mr. Hesters, you
6 know, we've reviewed this in the Electricity and
7 Natural Gas, and you all have been through this a
8 couple times before. Do we anticipate any
9 problems with confidentiality concerns from the
10 utilities?

11 MR. HESTERS: I suspect we will get some
12 requests for confidentiality. Last time Southern
13 California Edison made all their filings asking
14 for confidentiality. They turned out to be
15 essentially public documents that were stamped
16 confidential. I don't know what will happen this
17 time, but we may have some requests.

18 COMMISSIONER BYRON: Good. Well, I'd
19 ask you to continue to be aware of that same sort
20 of thing. We're interested in the state obviously
21 to meet our schedule. So, by all means, please be
22 diligent in reviewing those requests so that we
23 can get these data responses fulfilled on time.

24 EXECUTIVE DIRECTOR JONES: And I would
25 just like to add on the confidentiality issue that

1 staff has been working with the staff of the IOUs
2 to try to resolve some of these issues in advance.
3 And they're making some progress there and I think
4 we'll see that down the road.

5 COMMISSIONER BYRON: Good, that's a good
6 approach.

7 VICE CHAIRPERSON BOYD: I was about
8 ready to comment I'm sure that Ms. Jones is
9 motivated to get that worked out, so to not have
10 to plow through all those issues and make the
11 findings that would force her to make.

12 So, in any event, any other questions?
13 If not, is there a motion?

14 COMMISSIONER BYRON: I certainly move
15 the item.

16 COMMISSIONER DOUGLAS: Second.

17 VICE CHAIRPERSON BOYD: There's a motion
18 and a second.

19 All in favor?

20 (Ayes.)

21 VICE CHAIRPERSON BOYD: Opposed? None.
22 Congratulations, unanimously approved.

23 Item 13, nonresidential building
24 standards compliance manual. Possible approval of
25 same. Staff. Good morning.

1 MR. SHIRAKH: Good morning; I'm Mazi
2 Shirakh, the Project Manager for the building
3 efficiency standards.

4 Today the staff of the building and
5 appliances office requesting possible
6 certification of the nonresidential compliance
7 manual for the 2008 standards.

8 The 2008 building standards were adopted
9 by the Commission on April 23, 2008, and by the
10 Building Standards Commission on September 11,
11 2008.

12 The Warren Alquist Act requires the
13 Energy Commission to certify both the residential
14 and nonresidential compliance manuals at least 180
15 days prior to the effective date of the standards,
16 which is currently set for August 1, 2009.

17 The nonresidential compliance manual is
18 designed to help the owners, designers, builders,
19 contractors, energy consultants and others to
20 comply with California's building standards. The
21 manual also allows enforcement agencies to better
22 understand and enforce the standards.

23 The manual, as written, has both a
24 reference and an instructional guide that can be
25 helpful to anyone who is directly or indirectly

1 involved in design and construction of energy
2 efficient buildings in the state.

3 The manual is written in plain English
4 and includes numerous questions and answers and
5 graphic aids on different subjects to help the
6 users understand the standards requirements on how
7 to comply with them.

8 The 2008 building standards included new
9 requirements and updates to building envelope,
10 mechanical requirements, water heating and
11 lighting systems of the buildings. And this
12 update of the manual reflects all those changes.

13 The draft of the manuals have been
14 publicly available through the Commission's
15 website since last July. As the result the staff,
16 our consultants and the PG&E and their consultant
17 team have received and proposed -- processed
18 hundreds of comments related to the manuals which
19 have resulted in a very effective document for
20 implementing and complying with the
21 standards. We believe we resolved most of
22 these comments satisfactorily.

23 Staff would like to thank all
24 organizations and individuals who contributed to
25 the content of this manual, especially

1 representatives of CABEC and EnergySoft.

2 The residential compliance manual was
3 adopted last month on December 17, 2008. So with
4 this approval this sets the stage for the full
5 roll-out of the 2008 standards, our training
6 efforts, working with various stakeholders.
7 Exciting stuff.

8 So, with that I'll be happy to answer
9 any questions.

10 VICE CHAIRPERSON BOYD: Any questions?

11 COMMISSIONER ROSENFELD: First, of
12 course, I'd just re-emphasize that this is a huge
13 operation, and many thanks to the staff and all
14 the hundreds of people that you've been checking
15 with.

16 COMMISSIONER BYRON: I would like to add
17 my concurrence to that. You know, when we speak
18 publicly, at least when I speak, we talk about the
19 excellent work that the staff does in this area
20 resolving comments. This is one of the things
21 that this Commission does really well.

22 I know we put a lot of accolades on your
23 last time you were before us with the residential
24 manual, as well. But the same comments apply
25 here.

1 VICE CHAIRPERSON BOYD: Do we have any
2 other questions? If not, is there a motion?

3 COMMISSIONER ROSENFELD: I move item 13.

4 COMMISSIONER DOUGLAS: Second.

5 VICE CHAIRPERSON BOYD: There's a motion
6 and a second.

7 All in favor?

8 (Ayes.)

9 VICE CHAIRPERSON BOYD: Opposed? None.
10 Thank you very much. Congratulations.

11 Okay, the next item on the agenda is
12 approval of minutes.

13 COMMISSIONER ROSENFELD: I move the
14 minutes.

15 COMMISSIONER BYRON: Second.

16 VICE CHAIRPERSON BOYD: There's a motion
17 and a second to approve the minutes of the
18 December 17th meeting.

19 All in favor?

20 (Ayes.)

21 VICE CHAIRPERSON BOYD: Opposed? None.
22 Carries unanimously.

23 Number 15, Commission Committee
24 presentations, discussions, et cetera. I believe,
25 Commissioner Byron, you indicated an interest in

1 reporting on an item, maybe a couple of items.

2 COMMISSIONER BYRON: I'd only planned
3 one, but we'll see; maybe you have another one --

4 VICE CHAIRPERSON BOYD: Well, I thought
5 you might want to talk about the IEPR Committee's
6 meeting with the CPUC.

7 COMMISSIONER BYRON: You know, we could
8 talk about that a little bit, and I'll mention a
9 few things. Because you were in that with me you
10 may have a few to add, as well.

11 The Electricity and Natural Gas
12 Committee received a request from the staff to
13 provide a demand forecast of our 2010 peak demand
14 for the ISO's 2010 local capacity requirement
15 study that they do every year.

16 And we had planned to do that, and we
17 still plan to do that as part of the 2009 IEPR
18 forecast which will come out in April.

19 However, the ISO needs their results for
20 their study this month, and the Committee is going
21 ahead and allowing the staff to transmit that
22 information, a revised forecast, on a preliminary
23 basis to the ISO in order to fulfill that.

24 However, this Commission wants to retain its
25 approval of any forecasts, and so we will maintain

1 our final approval when we review that as part of
2 the IEPR process.

3 I just wanted to report out to this
4 Commission that we had given them authorization to
5 go ahead and provide preliminary data to fulfill
6 the ISO's requirements.

7 Ms. Jones, did you want to add
8 something?

9 EXECUTIVE DIRECTOR JONES: Yes. Just we
10 did provide it to the ISO. We also laid out that
11 we will be releasing a report that documents the
12 changes that we're making to the forecast. And
13 then we will issue a request for written comments.
14 And then we will bring it forward to the full
15 Commission for adoption. We're looking in the
16 February timeframe.

17 COMMISSIONER BYRON: And, Vice Chair
18 Boyd, I think I will take you up on your
19 suggestion that we discuss briefly, so that my
20 fellow Commissioners know, that Commissioner Boyd
21 and I did have a rather lengthy video conference
22 with President Peevey earlier this week as part of
23 our work on the IEPR Committee.

24 We reviewed all those areas of
25 collaboration and how we plan to proceed in

1 working together on a number of key areas. As you
2 know, there are many issues before us, priority
3 reserve, I won't go through all of them. And we
4 discussed those at some length.

5 But I think it's fair to say
6 Commissioner Peevey is very open to -- excuse me,
7 President Peevey is very open to working with this
8 Commission on the IEPR. Very supportive of their
9 continued involvement, although we may not have
10 Commissioner Bohn as the assigned commissioner.
11 President Peevey did indicate that he will likely
12 be assigning someone -- I hope they will be as
13 engaged as Commissioner Bohn was.

14 I also had an opportunity to talk to
15 Commissioner Bohn yesterday, and I don't think he
16 will be the one. But I did express my interest to
17 him to continue in that capacity.

18 It also became clear that a lot of these
19 issues will come together as part of their long-
20 term procurement proceeding. And that we will
21 need to work closely, staff-to-staff, in order to
22 coordinate schedules and make sure that a lot of
23 the work that this Commission is doing will inform
24 them and vice versa.

25 We received, I thought, a very good

1 commitment from President Peevey that he will do
2 that at the staff level. And we did the same.

3 But I think it also was a very good
4 opening for us, as a Committee, to continue to
5 work with President Peevey. As, you know, they do
6 things by assigned commissioner. And he seems to
7 take all the most interesting subjects as the
8 President of the Public Utilities Commission.

9 So I have a feeling it's he that we'll
10 be working most closely with on most of the issues
11 for us on the IEPR.

12 So it was a good meeting. Vice Chair,
13 do you want to add something, as well?

14 VICE CHAIRPERSON BOYD: Well, I agree
15 with you, it was a very good meeting. The IEPR
16 even more solidly becomes, you know, the energy
17 plan for the State of California. And he's very
18 supportive and cooperative.

19 You used the term collaboration, which
20 scares some people. So I would say we identify
21 lots of areas of cooperation. I'm sure the few
22 collaboratives that exist will carry on, but we
23 didn't sign up any new collaboratives, per se.
24 But we truly did identify lots of areas of
25 cooperation.

1 And they took the suggestions very well
2 and positive responses, so I would look forward to
3 even more work.

4 The last comment I would make is we did
5 commit our Executive Director to work on a regular
6 basis with the Executive Director of the PUC in
7 tracking, in keeping track -- tracking I will say,
8 therefore, the various issues that have been
9 identified. And we're each, I guess, kind of
10 writing up what we agreed to.

11 And then we'll sit down and identify all
12 those particular items and how they fit into the
13 IEPR and how you fit them into our workload.

14 I don't believe we committed ourselves
15 to anything we hadn't already listed as IEPR
16 projects. So, yeah, it was positive.

17 Any other comments from anybody on any
18 item? I have one additional quick item to
19 reference. It suddenly dawned on me that at the
20 beginning of this week I represented -- well, I
21 agreed to represent the Energy Commission at the
22 dedication of the new lighting technology
23 installed in the parking structure across from the
24 Mondavi Center.

25 It's the result of a PIER project, LED

1 lighting; very impressive. At the last minute I
2 was asked by the Governor's Office to represent
3 the Governor and give his congratulations.

4 So, -- and there was a lot of media
5 there, probably on the thought that maybe the
6 Governor would show up. But nonetheless, some
7 good comments. And it reminded me of a good
8 example of a successful outcome for our research
9 and development project that went through one of
10 our centers of excellence, the lighting center at
11 UCD.

12 And talking to a gentleman from the
13 President's Office, who was there, he's very
14 enthusiastic about spreading this concept
15 throughout the University system. First outside,
16 and then perhaps in some other applications.

17 So, it's the kind of lighting that dims
18 up and down using LEDs in an outdoor setting, dark
19 skies, compliant in terms of light leakage. And
20 highly secure in terms of protecting people.
21 Sensors to turn the lights up. But it can
22 apparently result in at least a 50 percent savings
23 in expenses. So they're quite enthusiastic about
24 it.

25 So I would say they're a plus for this

1 agency, and one of those we need to remember when
2 people are asking what have you done with the
3 money, and what successes have you had. It's
4 certainly one that got a lot of notoriety and
5 undoubtedly will keep doing things like that as
6 they spread it to other parts of the campus.

7 So that was a positive experience.

8 COMMISSIONER ROSENFELD: I might add,
9 while we're talking about the successes of the
10 energy efficiency center at UC Davis, that we
11 actually -- they had two success stories --

12 VICE CHAIRPERSON BOYD: Concurrently --

13 COMMISSIONER ROSENFELD: -- that you
14 took, and one yesterday noon. Their relations
15 with industry are now so good that Chevron has
16 made a contribution, a donation of \$2.5 million
17 which will produce half an FTE as a -- to enable a
18 search for a permanent director of the center.

19 So they're doing very well and I think
20 reflect well on the CEC/UC Davis collaboration.

21 VICE CHAIRPERSON BOYD: Yes, I heard a
22 lot about it on NPR this morning. Chevron
23 endowing a chair, half a chair apparently.

24 COMMISSIONER ROSENFELD: Half a chair.

25 VICE CHAIRPERSON BOYD: Okay. \$2.5

1 million doesn't buy much these days, just half a
2 chair.

3 Okay, any other items? If not, the
4 Executive Director -- oh, Chief Counsel's report,
5 I'm sorry.

6 MR. CHAMBERLAIN: Thank you, Mr.
7 Chairman. Today we -- I believe you have
8 requested a closed session with counsel on a
9 litigation matter --

10 VICE CHAIRPERSON BOYD: Yes, --

11 MR. CHAMBERLAIN: -- is the only matter
12 I have.

13 VICE CHAIRPERSON BOYD: -- that debate
14 has to -- Commissioner Byron, indeed. Nothing
15 else?

16 Executive Director.

17 EXECUTIVE DIRECTOR JONES: I have
18 nothing to report this morning.

19 VICE CHAIRPERSON BOYD: Public Adviser's
20 report. Good morning.

21 COMMISSIONER ROSENFELD: Just arriving,
22 or just in time.

23 VICE CHAIRPERSON BOYD: She's been in
24 the back of the room there, so it's --

25 MS. MILLER: Good morning,

1 Commissioners. I just have one item to report
2 that my office will be attending the informational
3 hearing and site visit in Lodi tomorrow. Mr. Nick
4 Bartsch will be attending on behalf of the Public
5 Adviser's Office.

6 Thank you.

7 VICE CHAIRPERSON BOYD: Very good. I
8 have no blue cards. Is there anyone wishing to
9 make public comment? If not, we'll adjourn to --
10 let's use the old Chairman's Office which is empty
11 and clean for our meeting, as compared to mine,
12 anyway.

13 We'll stand adjourned for that.

14 (Whereupon, at 11:03 a.m., the business
15 meeting was adjourned into closed
16 session.)

17 --oOo--

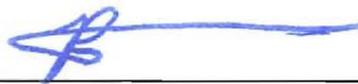
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CERTIFICATE OF REPORTER

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 21st day of January, 2009.



PETER PETTY