



Commissioners Present

Robert B. Weisenmiller, Chair  
James D. Boyd, Vice Chair  
Karen Douglas  
Carla J. Peterman

Staff Present:

Melissa Jones, Executive Director  
Michael Levy, Chief Counsel  
Jennifer Jennings, Public Advisor  
Harriet Kallemeyn, Secretariat

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P R O C E E D I N G S

APRIL 6, 2011 10:07 a.m.

CHAIRMAN WEISENMILLER: Good morning, let's start with the Consent Calendar, Item 1.

COMMISSIONER DOUGLAS: Move consent.

VICE CHAIR BOYD: Second.

CHAIRMAN WEISENMILLER: All in favor?

(Ayes.) It's been passed unanimously.

Let's go on to Item 2. Midway Sunset Cogeneration Project (85-AFC-3C). Possible approval of a petition to amend the Midway Sunset Cogeneration project to allow the replacement of Unit B's DLN-9 (dry low nitrogen oxide combustor) system with a DLN-1+ combustion system, and to revise applicable air quality conditions of certification. Christina.

MS. SNOW: Thank you, Mr. Chairman and fellow Commissioners, and good morning. I'm Christina Snow and I've been managing the amendment process for the Midway Sunset Cogeneration Project. The Midway Sunset Cogeneration Project is a 225 megawatt cogeneration power plant located in the community of Fellows in Kern County. The project uses cogeneration steam to aid an enhanced oil recovery process. The project was certified by the Energy Commission in May 1987 and has been in operation since

1 1989. It is owned by the Midway Sunset Cogeneration  
2 Company.

3           On October 25<sup>th</sup>, 2010, the Midway Sunset  
4 Cogeneration Company filed a petition with the  
5 California Energy Commission requesting to modify the  
6 Midway Sunset Cogeneration Project. Staff performed  
7 an initial review and requested a modified petition to  
8 address the required edits to air quality Condition of  
9 Certification AQ18. A modified petition was received  
10 and docketed on November 19<sup>th</sup>, 2010, and proposed to  
11 replace Unit B's dry low nitrogen oxide 9 combustion  
12 system with the DLN-1+ system, revise the equipment  
13 description for each combustion turbine generator,  
14 revise the compliance test submittal timeframe from 30  
15 days to 60 days, consistent with the authority to  
16 construct permit from the San Joaquin Valley Air  
17 Pollution Control District, and to modify air quality  
18 Condition of Certification AQ-18 to reflect allowed  
19 emission limits.

20           The proposed petition to amend will allow  
21 Unit B to operate as either a co-generation unit, or a  
22 simple cycle unit, due to the declining demands of the  
23 steam generated by the facility, and meet their  
24 emission limits as required by San Joaquin Air  
25 Pollution Control District.

1           Staff analyzed the petition and determined  
2 there will be no increase in the permitted emissions,  
3 or create significant impacts as a result of the  
4 proposed amendment. The modified Petition to Amend  
5 was posted to the Web on November 19<sup>th</sup>, 2010, the  
6 Notice of Receipt was mailed to the Post-Certification  
7 mailing list, docketed on December 1<sup>st</sup>, 2010, and  
8 posted on the website on December 7<sup>th</sup>, 2010.

9           Staff received one request from an  
10 interested party requesting a copy of the Petition to  
11 Amend, Staff Analysis, and the Commission Order. The  
12 Staff Analysis was docketed on January 20<sup>th</sup>, 2011, and  
13 posted on the Energy Commission website on January  
14 25<sup>th</sup>, 2011, for a 30-day public review. No comments  
15 have been received.

16           Staff recommends that the Energy Commission  
17 approve the Petition to Amend based upon staff's  
18 findings and subject to the revised Condition of  
19 Certification. I would be happy to answer any  
20 questions.

21           CHAIRMAN WEISENMILLER: Commissioners, any  
22 questions or comments?

23           VICE CHAIR BOYD: A quick question, please.  
24 You indicated and the material indicates, and our  
25 criteria requires no net increase in emissions from

1 this substitution of technology. And that's good. My  
2 question, I had trouble digging it out of this, is  
3 there possibly a net decrease in air quality emissions  
4 as a result of this technology?

5 MS. SNOW: I have Joseph Hughs from Air  
6 Quality staff here to address that question.

7 MR. HUGHS: We actually just analyzed it on  
8 a permitted basis level, but we would expect that  
9 there could be a decrease because of the newer  
10 combustion technology, so when it's running in a  
11 combined cycle, the SER would still be intact and so  
12 we would assume that it might be slightly lower. When  
13 it's operated in a simple cycle mode, we didn't  
14 analyze whether there would be a decrease or increase,  
15 the permit emissions would still be the same, however,  
16 there wouldn't be the ammonia injection, so there  
17 would be a decrease from the ammonia in the SER.

18 VICE CHAIR BOYD: Okay, thank you. I  
19 inferred the same, but I wanted my inference  
20 corroborated by an expert, so thank you. No  
21 questions.

22 COMMISSIONER DOUGLAS: I will move approval.

23 VICE CHAIR BOYD: Second.

24 CHAIRMAN WEISENMILLER: All in favor?

25 (Ayes.) Passed unanimously. Thank you.

1           So the next item is the Gilroy Cogeneration  
2 Power Project (84-AFC-4C). Possible approval of a  
3 petition to amend the Gilroy Cogeneration project to  
4 allow for the installation of a dry low nitrogen oxide  
5 combustor unit, and to update air quality conditions  
6 of certification to meet recent changes in the Bay  
7 Area Air Quality Management District Rules and  
8 Regulations. And, again, it's Christina Snow.

9           MS. SNOW: Thank you. I am also handling  
10 the Calpine Amendment. This Calpine Gilroy Cogen  
11 Project is a 115 megawatt natural gas powered  
12 cogeneration power plant located in Santa Clara County  
13 in the City of Gilroy. The project was certified by  
14 the Energy Commission in 1985 and began commercial  
15 operation in 1988. On September 13<sup>th</sup>, 2010, Calpine  
16 Gilroy Cogen LP filed a petition with the California  
17 Energy Commission requesting to modify the project's  
18 1985 decision for the installation of a dryer low  
19 nitrogen oxide combustor unit on the project's gas  
20 turbine generator. The proposed modification is a  
21 result of recent changes in the Bay Area Quality  
22 Management District Regulation 9, Rule 9 requirements,  
23 which lowers nitrogen oxide emission limits from  
24 stationary gas turbines. The Gilroy Cogen Project  
25 must comply with this lower NOx emission limit by

1 their next scheduled major maintenance, or January  
2 1<sup>st</sup>, 2012, whichever is earlier. The equipment changes  
3 results in revisions to the Air Quality Conditions of  
4 Certification in the 1985 California Energy Commission  
5 Decision. Staff analyzed the petition and determined  
6 that there will be no significant impacts as a result  
7 of the proposed amendment.

8           The petition to modify the project was filed  
9 and docketed on September 16<sup>th</sup>, 2010, and posted on the  
10 Commission's website on September 20<sup>th</sup>, 2010. The  
11 Notice of Receipt was mailed to the post-certification  
12 mailing list and docketed on October 13<sup>th</sup>, 2010, and  
13 was posted on the website on October 19<sup>th</sup>, 2010. Staff  
14 analysis was docketed and posted on the Commission  
15 website on February 25<sup>th</sup>, 2011 for a 30-day public  
16 review. No comments have been received.

17           Staff is recommending revisions to Air  
18 Quality Conditions of Certification 1-1, 1-8 and 1-9  
19 to reflect the decrease of the NOx emission limits  
20 from 25 PPM to 5 PPM, and to reflect the new  
21 equipment. In addition, staff is recommending that  
22 four air quality conditions of certification be  
23 deleted as they no longer apply.

24           And I just want to make note, there is a  
25 minor revision that came to our attention this morning

1 on the Staff Analysis, on the Condition that is being  
2 revised, 1-9B, there is a statement that was added  
3 that said "this part shall apply until installation of  
4 the dry low NOx combustor," it should be "this part  
5 shall apply after installation of the dry low NOx  
6 combustor."

7 CHAIRMAN WEISENMILLER: Thank you. Any  
8 questions or comments?

9 COMMISSIONER DOUGLAS: I'll just say that  
10 the Siting Committee reviewed this item and found it  
11 to be something to recommend to the full Commission  
12 for their support.

13 COMMISSIONER PETERMAN: I move the item.

14 COMMISSIONER DOUGLAS: Second.

15 CHAIRMAN WEISENMILLER: All in favor?

16 (Ayes.) This also passes unanimously.

17 Thank you.

18 MS. SNOW: Thank you.

19 VICE CHAIR BOYD: We do have the Applicant  
20 here, he might want to say a word. We're moving fast!  
21 Go ahead.

22 CHAIRMAN WEISENMILLER: Oh, sorry. Well,  
23 again, certainly the Applicant, we'll be happy to hear  
24 from you. Let's go on to Item 4, then. California  
25 Institute For Energy And Environment. Possible

1 approval of Contract 200-10-006 with the Regents of  
2 the University of California, Berkeley, California  
3 Institute of Energy and Environment (CIEE) for a  
4 tenant agreement and reimbursement of rental fees in  
5 the amount of \$23,170. CIEE will sublet 1,550 square  
6 feet of space leased by the Energy Commission at 1500  
7 Fifth Street in Sacramento, while working with the  
8 Energy Research and Development Division on various  
9 agreements. And the contact is Mark Hutchison.

10 COMMISSIONER PETERMAN: Excuse me, before  
11 you start, Mark, Chairman, I'm going to recues myself  
12 from this vote. I receive tuition and research  
13 support from an Energy Institute at U.C. Berkeley that  
14 has some associations with CIEE, so I'll step out now.  
15 Thank you.

16 CHAIRMAN WEISENMILLER: Thank you. Now,  
17 Mark.

18 MR. HUTCHISON: Thank you and good morning,  
19 Commissioners. Mark Hutchison, Deputy Director for  
20 Administration. As you mentioned, this contract  
21 before you is with the California Institute of Energy  
22 and Environment at University of California, and it is  
23 a sublease agreement whereby CIEE will be renting  
24 Energy Commission space at 1500 Fifth Street. The  
25 monthly rent will be \$2,896.00, and this agreement

1 will run through November 30<sup>th</sup>, 2011. They will be  
2 located in a building that is also occupied by R&D  
3 staff, however, it is a separate floor, it is  
4 segregated by firewalls, as well as locked doors, so  
5 we were careful to make sure that the staff did not  
6 have any access, either way, to maintain and to avoid  
7 any conflict of interest. And with that, your  
8 approval is requested of this agreement and I am  
9 available to answer any questions.

10 CHAIRMAN WEISENMILLER: Any questions or  
11 comments?

12 VICE CHAIR BOYD: Well, I guess my only  
13 comment would be that taking per Mr. Hutchison that  
14 adequate firewalls have been provided for will  
15 hopefully avoid any of the problems that our Executive  
16 Director certainly is familiar with, in the past, with  
17 regard to seemingly too close relationship between  
18 Commission staff and staff of various universities,  
19 but this one, in particular. I don't know, Melissa,  
20 if you want to say - well, obviously, you're totally  
21 comfortable with this or you would not be recommending  
22 it to us.

23 MS. JONES: Yes, we work with the attorneys,  
24 it is a separate space, it is accessed by separate  
25 key, and as Mark said, it's not only software

1 firewalls, there is actually a firewall, a physical  
2 firewall, between the spaces, and on a different  
3 floor. Thank you.

4 VICE CHAIR BOYD: Thank you.

5 CHAIRMAN WEISENMILLER: I was going to say,  
6 I agree that's very important, we certainly don't want  
7 to be in a situation of their staff and our staff  
8 comingling, particularly when our staff are working on  
9 various proposals and stuff, so I think it is very  
10 appropriate to put in place these firewalls. Any  
11 other questions or comments?

12 VICE CHAIR BOYD: I will move approval.

13 COMMISSIONER DOUGLAS: Second.

14 CHAIRMAN WEISENMILLER: All in favor?

15 (Ayes.) This also passed 3 to 0.

16 Okay, so let's go to Item 5. Boulder  
17 Electric Vehicle, Inc. Possible approval of Agreement  
18 ARV-10-039 for a grant of \$3 million to Boulder  
19 Electric Vehicle, Inc. to retrofit and retool a  
20 manufacturing facility for mass production of electric  
21 vehicles in Los Angeles. (ARFVTF Funding). And the  
22 contact is Larry, please.

23 MR. RILLERA: Good morning, Chairman and  
24 Commissioners. My name is Larry Rillera with the  
25 Division of Fuels and Transportation. In April of

1 2010, the Commission released Program Opportunity  
2 Notice 9-605 for Vehicle Manufacturing. Boulder  
3 Electric Vehicle, or BEV, submitted an application  
4 that was recommended to receive a Notice of Award. In  
5 June of 2009, BEV released its prototype all electric  
6 drive truck, which to date has been driven over 10,000  
7 miles in a variety of environmental conditions.  
8 Boulder Electric Vehicle proposes to design and locate  
9 a 20,000+ square foot manufacturing facility within  
10 the City of Los Angeles limits to mass produce medium-  
11 and heavy-duty all electric drive trucks and buses.  
12 This manufacturing line facility will also take  
13 advantage of its existing supply network and to also  
14 be closer to its customers, as well. BEV estimates  
15 that it will be able to produce up to 6,000 trucks  
16 and/or 6,000 buses per year, with an annual savings of  
17 over one billion pounds of CO<sub>2</sub> based upon figures for  
18 direct replacement vehicles for diesel power.

19           Boulder Electric Vehicle estimates that 15  
20 jobs will be created during the plant facility  
21 retrofit improvements and up to 300 jobs created when  
22 the plant is fully functioning. Under this item, the  
23 Commission will consider approval of a \$3 million  
24 agreement with Boulder for the development of this  
25 pilot line manufacturing. Staff would ask for

1 Commission support for this item and to approve an  
2 agreement with Boulder Electric Vehicle. Carter  
3 Brown, CEO of Boulder Electric Vehicle is also here to  
4 field questions if there are any. Thank you.

5 CHAIRMAN WEISENMILLER: That's great. Hi.

6 MS. DRISCOLL: Thank you. This is Kristin  
7 Driscoll with the Energy Commission's Chief Counsel's  
8 Office. We review all of the AB 118 projects to  
9 determine compliance with the California Environmental  
10 Quality Act. Based on my review of this project and  
11 further due diligence, we recommend that the  
12 Commission include a finding if it approves this  
13 project that the project is categorically exempt as an  
14 existing facility.

15 CHAIRMAN WEISENMILLER: Thank you. Mr.  
16 Brown, do you want to address us? Thank you for  
17 coming.

18 MR. BROWN: Commissioners, I'd like to thank  
19 you very much for the preliminary approval of this  
20 award. We're very excited, we've been speaking with  
21 the Mayor's Office of Economic Development in Los  
22 Angeles for about the last two years. We have pilot  
23 programs starting with FedEx, the United States Postal  
24 Service, and UPS, and we have initial orders from the  
25 Port of Los Angeles, and we have a great view on how

1 this can create additional California jobs and reduce  
2 emissions, both NOx, Sox, and CO<sub>2</sub> in Southern  
3 California, particularly, but throughout the State of  
4 California, and we are very happy to have some of our  
5 key suppliers of axles and batteries and battery  
6 management systems actually located in the State of  
7 California, so that this will also be creating Tier 1  
8 jobs, subsidiary jobs, in addition to our own  
9 manufacturing facility in Los Angeles. So, I'd just  
10 like to thank you all for your support of this and we  
11 look forward to working with Larry Rillera of the  
12 Energy Commission as Project Management, and moving  
13 forward. Thank you very much.

14 CHAIRMAN WEISENMILLER: Thank you.  
15 Commissioners, do you have any questions or comments?

16 VICE CHAIR BOYD: A comment, if I might.  
17 This, I see, is a real positive event today. This is  
18 the AB 118 program delivering a project that fulfills  
19 the legislative goals and objectives, as well as our  
20 own goals and objectives, for this program in terms of  
21 having in California, bringing to California, an  
22 actual production facility that is a facility aimed at  
23 advancing the technology of vehicle mobility, and  
24 California ought to be the locust of that kind of  
25 activity. And I want to commend both the manufacturer

1 and the staff for this project in that it is medium-  
2 and heavy-duty electric drive trucks and buses, there  
3 is an overabundance of interest and attention given to  
4 light-duty vehicles, with too many people forgetting  
5 the role that medium-duty and heavy-duty plays in the  
6 movement of goods, services, and people through our  
7 California economy, and this is a real plus in terms  
8 of offering technologies and that obviously are of  
9 interest to the companies that the gentleman indicated  
10 that they're working with. So, I commend both Boulder  
11 and our staff for a job well done on this project and  
12 welcome you to California, and look forward to seeing  
13 more and more of your products on the road in the not  
14 too distant, I hope, future. And I'm prepared to  
15 recommend approval of this project, it was reviewed by  
16 the Transportation Committee and I recommended it for  
17 consideration on today's agenda. So I will move  
18 approval.

19 COMMISSIONER DOUGLAS: I'd like to just join  
20 Commissioner Boyd in commending the project. I thank  
21 you for being here, it's great to put a face to a  
22 name, but I was very pleased to learn about your  
23 company, the Boulder Electric Vehicle, and to learn  
24 about the work you're doing, it's tremendously  
25 important to bring these products to market, to help

1 us clean the air in Los Angeles, push for  
2 electrification, and to do so much of the  
3 manufacturing and getting supplies from California is  
4 a great thing to see. So, thank you. I will second  
5 the motion.

6 COMMISSIONER PETERMAN: I move - oh, sorry.

7 CHAIRMAN WEISENMILLER: Okay -

8 COMMISSIONER PETERMAN: No questions, I  
9 support it, as well.

10 CHAIRMAN WEISENMILLER: Okay, so all in  
11 favor?

12 (Ayes.) This passes unanimously. Thank  
13 you.

14 MR. BROWN: Thank you very much,  
15 Commissioners. And I'd just like to add one thing,  
16 although Larry warned me about not going over - giving  
17 you a 10-minute diatribe, the substantial energy  
18 storage, 80 kilowatts up to 120 kilowatts that are in  
19 the battery packs of our electric vehicles, the  
20 substantial amount of energy storage, when connected  
21 with the Grid on a frequency regulating basis, can  
22 greatly further the frequency regulation and the  
23 California Grid stabilization when these products are  
24 rolled out on a mass basis, and can greatly reduce  
25 emissions and the number of power plants that have to

1 be built when they're put forward on a large basis  
2 throughout the State of California. So, I think our  
3 missions are very much applicable to the 118 program  
4 and the CEC's goals, overall. So, thank you very much  
5 for letting us be a part of this.

6 COMMISSIONER WEISENMILLER: Thank you.

7 VICE CHAIR BOYD: Well, thank you for that  
8 comment. Many of us up here, I know, are anxious to  
9 see the vehicle to Grid reality some day; we do have  
10 to wait and get the Grid capable of handling this, but  
11 there are a lot of people working on that, so, thanks.

12 CHAIRMAN WEISENMILLER: Let's look at Item  
13 6. Architectural Energy Corporation. Possible  
14 approval of Amendment 1 to Contract 400-09-002 with  
15 Architectural Energy Corporation to add \$250,000 for  
16 additional work within the scope required for the 2013  
17 Nonresidential Buildings Energy Efficiency Standards  
18 Update. (ERPA funding.) And this is Ron Yasny.

19 MR. YASNY: Yes. Good morning,  
20 Commissioners. Ron Yasny with the High Performance  
21 Buildings and Standards Development Office, Efficiency  
22 Division. Our office has two technical assistance  
23 contracts, one is for non-residential buildings, and  
24 the other is for residential buildings. This  
25 amendment relates to the non-residential contract. In

1 order to coordinate the adoption of the Building  
2 Energy Efficiency Standards Update, with the Building  
3 Standards Commission, adoption of the complete  
4 California Building Code, we have roughly added a year  
5 to the cycle, which has allowed us to consider  
6 additional improvements to the 2013 Standards Update.  
7 This additional money will fund that extra effort.  
8 And I seek your approval.

9 CHAIRMAN WEISENMILLER: Commissioners, any  
10 questions or comments?

11 COMMISSIONER DOUGLAS: The Efficiency  
12 Committee was briefed on this work, it's important  
13 work and, you know, in this time when we are looking  
14 for ways to cut expenses and to reduce the amount of  
15 contract work that we do, we take a closer look at  
16 these proposals when they come before us, but this is  
17 important work that is being proposed here.

18 VICE CHAIR BOYD: Well, since the Climate  
19 Action Program in the State of California predicates  
20 so much of its progress, in the early years, in  
21 particular, on the work this Commission has to do in  
22 the areas of efficiency of all kinds, this is a  
23 significant effort to move that along, so I'm very  
24 glad to see this and I'm very supportive of it.

25 COMMISSIONER DOUGLAS: I'll move approval.

1 VICE CHAIR BOYD: Second.

2 CHAIRMAN WEISENMILLER: All in favor?

3 (Ayes.) This passes unanimously. Thank  
4 you.

5 MR. YASNY: Thank you.

6 CHAIRMAN WEISENMILLER: The next contract is  
7 Item 7, this is for Bruce A. Wilcox, P.E. Possible  
8 approval of Amendment 1 to Contract 400-09-001 for  
9 \$250,000 with Bruce A. Wilcox, P.E. for additional  
10 work within the work scope required for the 2013  
11 Residential Building Energy Efficiency Standards  
12 Update. (ERPA funding.) The contact is again Ron.  
13 Thank you.

14 MR. YASNY: And this Amendment relates to  
15 the Residential Contract and everything stated prior  
16 relates to this, as well, and I seek your approval.

17 CHAIRMAN WEISENMILLER: Thanks.  
18 Commissioners, any questions or comments?

19 VICE CHAIR BOYD: Ditto, I guess.

20 CHAIRMAN WEISENMILLER: Is there a motion?

21 COMMISSIONER PETERMAN: I move.

22 COMMISSIONER DOUGLAS: Second.

23 CHAIRMAN WEISENMILLER: Okay, all in favor?

24 (Ayes.) This passes unanimously. Thank  
25 you, Ron.

1 MR. YASNY: Thank you, Commissioners.

2 CHAIRMAN WEISENMILLER: Item 8. Stanfield  
3 Systems, Inc. Possible approval of Purchase Order 10-  
4 409.00-004 for \$299,148 with Stanfield Systems, Inc.  
5 to provide software model maintenance, support,  
6 enhancements and modifications to the Fossil Fuels  
7 Office modeling tools. These modeling tools will be  
8 used to support the 2011 and future Integrated Energy  
9 Policy Reports. (ERPA funding.) The contact is  
10 Malachi. Hi.

11 MR. WENG-GUTIERREZ: Good morning, Chairman  
12 and Commissioners. It's Malachi Weng-Gutierrez. I  
13 work in the Fuels and Transportation Division and the  
14 contract before you deals with the first round of  
15 support and maintenance for this new demand model that  
16 we're going to be using for the upcoming IEPR. The  
17 Fuels and Transportation Division, in general,  
18 produces a Demand Forecast and a set of scenarios and  
19 policy evaluations every two years as a part of the  
20 Integrated Energy Policy Report, and the models that  
21 we use are a set of sector based demand models of  
22 varying complexity. These sectors include such  
23 sectors as the personal and commercial light-duty  
24 vehicles, transit sectors, and freight sector of an  
25 aviation sector. In our forecast, as well, we

1 evaluate other sectors which are not necessarily  
2 modeled with the more complicated models that we use  
3 for the main foundational work that we perform. The  
4 new and improved model will integrate the past models  
5 and they're integrating them into a single modeling  
6 framework. The outputs from this model will be used  
7 as the foundation of our analysis of all the policies  
8 and for the IEPR 2011.

9           The current development contract will expire  
10 at the end of April, and the software support and  
11 maintenance contract, which is before you, will  
12 provide the next phase of support needed for the tool.  
13 Energy Commission staff will be responsible for  
14 maintaining and managing some of the elements of the  
15 tool, but we do require that the more complicated or  
16 more programming oriented components will be handled  
17 by a contractor, and that is what this contract is  
18 supposed to provide us with, those services.

19           The contract itself is a two-year contract,  
20 spread out over three fiscal years, and is described  
21 in the supporting documentation. The purpose of  
22 having a two-year contract is that it allows staff  
23 time to evaluate the needs for support on an ongoing  
24 basis, and then use that information as the basis for  
25 future support contracts. We anticipate that a 12-

1 month time period would be adequate to evaluate the  
2 needs for the ongoing support and maintenance and that  
3 that information would be used in the future to again  
4 create future procurement requirements for support.

5 And with that, I would be happy to address any  
6 questions you have regarding this contract or the  
7 DynaSim modeling framework that we've developed.

8 CHAIRMAN WEISENMILLER: Thank you.

9 Commissioners, any questions or comments?

10 VICE CHAIR BOYD: No questions. I'll make a  
11 comment if my fellow Commissioners don't have  
12 questions. First, I would just indicate that this  
13 project and this proposal did come before the  
14 Transportation Committee and it reviewed and approved  
15 and recommended it for consideration here today.  
16 Secondly, I'll say that, for the majority of my tenure  
17 here at the Commission, we've been working diligently  
18 to create this kind of modeling tool capability and  
19 there was quite a debate early on between taking an  
20 off the shelf modeling approach, or creating a model.  
21 The staff prevailed on the subject of creating a model  
22 now known to us as Dynasim, and is actually making it  
23 work just before my second term ends, so I commend the  
24 staff for their diligent work. This is a tool  
25 desperately needed by this agency in this modern age

1 of dealing with energy and the transportation fuel  
2 component thereof, since California isn't exactly the  
3 magnet it used to be for any and all transportation  
4 fuel we would ever need, and we are competing on a  
5 world scale now and we really need tools to inform  
6 this Commission of where we see supply, demand, and  
7 various type of fuel opportunities to present  
8 themselves, so I am very supportive of what it is that  
9 Malachi has been doing here and the requested  
10 provision of some more resources to finally execute  
11 this operation, so I will move its approval, and  
12 hopefully will never have to talk about it again in  
13 this forum, other than its results.

14 COMMISSIONER DOUGLAS: I have to say,  
15 Commissioner Boyd, I think my first briefing as a  
16 Commissioner was on the DynaSim model, so I am  
17 definitely eagerly awaiting the results and final  
18 product.

19 COMMISSIONER PETERMAN: I second.

20 CHAIRMAN WEISENMILLER: Okay. All in favor?

21 (Ayes.) This passes unanimously.

22 MR. WENG-GUTIERREZ: Thank you.

23 CHAIRMAN WEISENMILLER: Item 9. SoloPower,  
24 Inc. Possible approval of Agreement 010-10-CEB for a  
25 loan of \$4,997,169 to SoloPower, Inc. to expand the

1 manufacture of flexible thin film solar modules at its  
2 San Jose manufacturing facility. The project will  
3 expand capacity by nine megawatts per year and is  
4 estimated to create or retain 50 full-time equivalent  
5 jobs. (ARRA funding.) The contact is Marcia.

6 MS. SMITH: Good morning, Chairman and  
7 Commissioners. My name is Marcia Smith and I work in  
8 the Energy Commission's Fuels and Transportation  
9 Division on the Clean Energy Business Financing  
10 Program. With me is my team member, Jacob Orenberg,  
11 and Michael Doughton from the Legal Office.

12 The Commission allocated \$30.6 million of  
13 the \$226 million of ARRA State Energy Program budget  
14 to the Clean Energy Business Financing Program. In  
15 July 2010, the Commission released a Notice of  
16 Proposed Awards, or NOPA, that identified CEBFP  
17 projects that were proposed to be funded. The NOPA  
18 also identified all of the compliance documentation  
19 needed to assure funding. This notice was amended  
20 four times due to awardee status changes. The last  
21 update was February 28<sup>th</sup>, 2011. At the August 25<sup>th</sup>,  
22 2010 Business Meeting, the Commission approved the  
23 first CEBFP loan. Today, the Commission will take  
24 action on the loan request, which would bring the  
25 total amount of CEBFP loans to nearly \$29 million.

1 SoloPower, and I should note that SoloPower is one  
2 word, not two words, Inc., seeks a loan for \$4,997,169  
3 to purchase production and metrology equipment,  
4 including tools, a laminator, a shingle cell tester,  
5 and a module tester, to expand the manufacture of  
6 light-weight flexible solar modules at its San Jose  
7 manufacturing facility. The expansion will increase  
8 production output by 9 megawatts. The project is to  
9 be completed by December of 2011. It will create and  
10 retain an estimated 50 full-time equivalent jobs and,  
11 by staff estimate, offset 4,658 tons of carbon dioxide  
12 per year. The total project cost is approximately  
13 \$12.3 million, of which SoloPower, Inc. will provide  
14 \$7.3 million in leveraged financing.

15 Staff requests the Commission support  
16 approval of Agenda Item 9 for a loan agreement with  
17 SoloPower, Inc. in the amount of \$4,997,169. Thank  
18 you.

19 CHAIRMAN WEISENMILLER: Thank you.

20 Commissioners, any questions or comments?

21 COMMISSIONER PETERMAN: I have a comment and  
22 a question. Happy to see us supporting green  
23 manufacturing, green business. One thing - I was also  
24 happy to see that you noted one of the areas of  
25 evaluation was job creation and retention?

1 MS. SMITH: Correct.

2 COMMISSIONER PETERMAN: Because one of the  
3 concerns I have is that we have experience in the  
4 state and nationwide, the loans, as well as loan  
5 guarantees for solar panel manufacturers who have then  
6 gone on to relocate in other parts of the world,  
7 China, specifically. And so we really do want to make  
8 sure that there is that retention aspect. And so,  
9 then, my follow-up question related to that is, are  
10 there any provisions with the loan that, during the 84  
11 months that they're repaying it back, or going  
12 forward, that they will continue to stay in the State  
13 of California?

14 MS. SMITH: It is required that they remain  
15 in California during the entire period - oh, you mean  
16 the actual employees?

17 COMMISSIONER PETERMAN: The manufacturing  
18 facility and then the employees, accordingly.

19 MS. SMITH: The facility, yes.

20 COMMISSIONER PETERMAN: Okay, so at least  
21 for the seven years of the loan term.

22 MS. SMITH: Yes.

23 COMMISSIONER PETERMAN: And would you also  
24 give a bit more color on retention evaluation aspect,  
25 what types of screens there are, what types of

1 questions there are related to that issue?

2 MS. SMITH: Specifically in our application  
3 announcement, we ask them to identify the number of  
4 jobs that would be retained and be created, and I  
5 don't have the specific breakdown for this particular  
6 facility. Do you have that?

7 MR. ORENBERG: Jacob Orenberg. In the  
8 application, as well, there was a section that  
9 described what pieces of equipment the funds will be  
10 used to purchase, and in that section it asks you to  
11 describe what job would be associated with the use of  
12 that equipment.

13 COMMISSIONER PETERMAN: Thank you. This is  
14 a relatively new company, I think 2006, and if they're  
15 listening, I hope they stay in California.

16 MS. SMITH: Thank you.

17 COMMISSIONER DOUGLAS: Just a brief comment.  
18 On behalf of the ARRA committee, in all of the work  
19 that the Energy Commission did last year in ARRA, this  
20 is the one program that was targeted directly to the  
21 private sector and, of the programs that we have, you  
22 know, this is one that will create a very significant  
23 number of private sector jobs. So, I'm excited about  
24 the program, I also wanted to recognize staff because  
25 it has not been easy, it has not been - this kind of

1 loan program is a first for us, and so we've had to  
2 sort of find our way forward through situations that,  
3 you know, as State employees and not bankers, staff  
4 has at times struggled to come to terms with, and I  
5 say that, although we do have one person who has  
6 helped us on this who is a former commercial banker,  
7 and so we were certainly fortunate to have had his  
8 help. So, I just want to recognize staff, I think  
9 this sounds like a great program, a great project. I  
10 am briefed on it and I'm glad to see it coming to a  
11 Business Meeting. It's taken a long time, but it also  
12 just hasn't been easy, and I hope we'll see a number  
13 of these coming forward very quickly now in the near  
14 future.

15 VICE CHAIR BOYD: No comments, I'm very  
16 pleased with this and prepared to support it.

17 COMMISSIONER DOUGLAS: I will move approval.

18 COMMISSIONER PETERMAN: I second.

19 CHAIRMAN WEISENMILLER: All in favor?

20 (Ayes.) This passes unanimously. Thank  
21 you.

22 MS. SMITH: Thank you.

23 CHAIRMAN WEISENMILLER: The next item 10,  
24 City Of Clovis. Possible approval of Agreement 008-  
25 10-ECE ARRA for a loan of \$953,239 to the City of

1 Clovis to install photovoltaic panels at the Public  
2 Safety Building and two fire stations. These projects  
3 will reduce the city's annual energy expenditures by  
4 \$86,658. (ARRA funding.) The contact is Amir.  
5 Please.

6 MR. EHYAI: Thank you, Chairman. Good  
7 morning, Commissioners. My name is Amir Ehyai and I'm  
8 with the Special Projects Office. With this loan, the  
9 City of Clovis will install photovoltaic panels at  
10 their three facilities. The three facilities, as you  
11 mentioned, are the public safety building, Fire  
12 Station No. One, and Fire Station No. Five. The  
13 combined total capacity will be 386 KWAC which will  
14 annually produce an estimated 695,000 kWh of  
15 electricity. The total project cost is estimated to  
16 be \$3.4 million, of which \$953,239 will be funded by  
17 the Energy Commission at an interest rate of three  
18 percent. Funding for this loan will come from the  
19 American Recovery and Reinvestment Act. The City has  
20 secured a private loan for the remainder of the  
21 project cost. As background, the city was awarded an  
22 Energy Commission loan in December of 2009 to fund  
23 energy efficiency upgrades at the public safety  
24 building Fire Station No. One and Fire Station No.  
25 Five. The 2009 loan helped fund the replacement of

1 inefficient boilers, chillers, pumps, as well as  
2 funding to upgrade the lighting systems, install  
3 variable frequency drives, and computer controls to  
4 reduce plug load energy use.

5           These projects were completed within one  
6 year of the loan award and the City is now benefitting  
7 from the energy savings, estimated at nearly 900,000  
8 kWh annually.

9           The City is now ready to install the PV  
10 panels on these same three facilities and, with the  
11 approval of this loan, they anticipate completing the  
12 project within five months. The staff recommends  
13 approval of this item and I would be happy to answer  
14 any questions you have.

15           CHAIRMAN WEISENMILLER: Any questions or  
16 comments?

17           COMMISSIONER DOUGLAS: No questions. I will  
18 move approval if you don't have additional questions  
19 or comments.

20           COMMISSIONER PETERMAN: I will just comment  
21 that it is good to see the cost-sharing with the City  
22 and that the City will be able to finance this,  
23 hopefully, with a Bond. It's good to see Cities  
24 financing energy efficiency and having local  
25 involvement with this, as well as at the State level.

1           VICE CHAIR BOYD: I would just comment, it  
2 is good to see the City has had a prior experience  
3 that was positive, and thus has returned for more  
4 success, let's just say. So, I'm supportive of the  
5 project.

6           CHAIRMAN WEISENMILLER: Do we have a second?

7           VICE CHAIR BOYD: Second.

8           CHAIRMAN WEISENMILLER: All in favor?

9           (Ayes.) This also passes unanimously.

10 Thank you.

11           MR. EHYAI: Thank you.

12           CHAIRMAN WEISENMILLER: Item 11. City Of  
13 Los Angeles. Possible approval of Agreement 007-10-  
14 ECD for a loan of \$882,987 to the City of Los Angeles  
15 to retrofit interior lighting systems and controls at  
16 multiple city-owned buildings. This project will save  
17 the city approximately 600,000 kilowatt hours in  
18 energy consumption, 220 kilowatts in demand savings,  
19 or \$81,376 annually. Based on the loan amount, the  
20 simple payback is 10.8 years. (ECAA funding.) The  
21 contact is, again, Amir.

22           MR. EHYAI: Yes. The Project Manager for  
23 this loan is Adel Suleiman, however, he's out of the  
24 office today, and so I'm going to be presenting this  
25 item on his behalf.

1           With this loan, the City of Los Angeles will  
2 retrofit over 6,200 interior light fixtures throughout  
3 42 of their buildings. The majority of these fixtures  
4 current use T-12 fluorescent lamps, and these will be  
5 retrofitted with low wattage T-8 lamps, and reduced  
6 power electronic ballasts. This loan will also  
7 provide funding to replace incandescent exit signs  
8 with LED, replacement of incandescent flood lamps with  
9 CFLs, and provide funding for the installation of  
10 occupancy sensor controls. All told, the projects  
11 will annually save an estimated \$600,000 kWh of  
12 electricity and reduce the City's expense by \$81,376.  
13 The total project cost is \$886,987, of which \$882,987  
14 will be funded with the Energy Commission loan at an  
15 interest rate of three percent.

16           The City is eager to begin this work and has  
17 expressed interest in applying for additional CEC  
18 funding to further improve the efficiency of their  
19 many other facilities. Energy Commission staff has  
20 been working closely with the City to achieve these  
21 goals, for example, back in 2006 and 2009, the  
22 Commission awarded the City two separate loans  
23 totaling \$6 million for the installation of LED and  
24 induction lamps and their street lights. Staff  
25 recommends approval of this item and I'm happy to

1 answer any questions you have.

2 CHAIRMAN WEISENMILLER: Commissioners, any  
3 questions or comments?

4 COMMISSIONER DOUGLAS: No questions. Again,  
5 as Commissioner Boyd said, glad to hear that the City  
6 is having a good experience and interested in possibly  
7 coming back again.

8 COMMISSIONER PETERMAN: I move.

9 COMMISSIONER DOUGLAS: Second.

10 CHAIRMAN WEISENMILLER: All in favor?

11 (Ayes.) This item also is unanimous. Thank  
12 you.

13 Item 12. City Of Pittsburg. Possible  
14 approval of Agreement 008-10-ECD for a loan of  
15 \$425,000 to the City of Pittsburg to change 491 of the  
16 City's decorative streetlight fixtures from high  
17 pressure sodium (HPS) to light emitting diode (LED)  
18 fixtures, and eliminate 134 HPS fixtures and poles.  
19 This project will save the city approximately 342,900  
20 kilowatt hours or \$42,000 annually. Based on the loan  
21 amount, the simple payback is 10.1 years. (ECAA  
22 funding.) The contact is Karen. Thank you.

23 MS. PERRIN: Good morning, Commissioners.  
24 I'm Karen Perrin with the Fuels and Transportation  
25 Division. This is a request from the City of

1 Pittsburgh for a \$425,000 loan to retrofit the City  
2 streetlights. They plan to retrofit their existing  
3 streetlights to more energy efficient LED lamps and  
4 they're going to be replacing 491 street lights and  
5 poles, as well as eliminating some lamps and poles  
6 that they've deemed unnecessary. They have already  
7 performed a pilot project to test the lighting and the  
8 City is very excited to begin this project.

9           It is expected to save the City \$42,000 a  
10 year, and they are also leveraging a PG&E utility  
11 rebate for \$47,000. And staff requests your approval.

12           CHAIRMAN WEISENMILLER: Thank you. Any  
13 questions or comments?

14           VICE CHAIR BOYD: Move approval.

15           COMMISSIONER PETERMAN: I second.

16           CHAIRMAN WEISENMILLER: Okay, all in favor?

17           (Ayes.) This also passes unanimously.

18 Thank you.

19           Item 13. Calpine Corporation. Possible  
20 approval of Agreement PIR-10-060 for a grant of  
21 \$410,000 to Calpine Corporation to develop a reservoir  
22 model and reopen three wells in the Caldwell Ranch  
23 area of the northwest Geysers to characterize  
24 geothermal reservoir capacity and explore redeveloping  
25 the area. (PIER electricity funding.) The contact is

1 John.

2 MS. JONES: Mr. Chairman, an issue just came  
3 to my attention and we need some additional  
4 documentation for this contract. I request that we  
5 pull the item and place it on our next Business  
6 Meeting Agenda.

7 CHAIRMAN WEISENMILLER: Okay, sure.

8 MS. JONES: Thank you.

9 CHAIRMAN WEISENMILLER: Item 14. Applied  
10 Materials, Inc. Possible approval of Agreement PIR-  
11 10-055 with Applied Materials, Inc. for a cost-share  
12 grant of \$500,000 to conduct research and develop a  
13 new, more cost effective process for manufacturing  
14 light-emitting diodes. (PIER electricity funding.)  
15 The contact is Dustin.

16 MR. DAVIS: Good morning, Commissioners.  
17 I'm Dustin Davis from the PIER Buildings Team. This  
18 Agenda Item seeks your approval with Applied Materials  
19 in the amount of \$500,000 to cost-share the  
20 contractor's 2010 American Recovery and Reinvestment  
21 Act Award. Under the Solid State Lighting U.S.  
22 Manufacturing DOE solicitation, eight projects  
23 received awards totaling \$23.5 million in January  
24 2010. Of that amount, Applied Materials was awarded  
25 about \$4 million and is also contributing just over \$4

41

1 million in additional match funds, so PIER's cost-  
2 share would leverage a project that totals over \$8  
3 million.

4           Researchers have made significant progress  
5 to reduce the cost and to improve the performance of  
6 LED devices, but the equipment in use today for  
7 manufacturing has been cobbled together from tools and  
8 processes that were not necessarily designed for  
9 volume manufacturing.

10           The key step in LED manufacturing is the  
11 Metal Organic Chemical Vapor Deposition, or MOCVD  
12 process, which is a chemical process used to produce  
13 high performance semiconductor products such as LEDs.  
14 Applied Materials will develop an improved MOCVD  
15 process, which will decrease operating costs, increase  
16 the efficiency of LEDs, and improve binning yields, or  
17 the number of LEDs that meet target specs to reduce  
18 manufacturing waste. Developing improved LED  
19 manufacturing process equipment will enable LED  
20 manufacturers to fabricate higher quality LED devices  
21 at a lower cost, which will ultimate increase the  
22 widespread adoption of this energy saving technology.

23           The research team is based out of Santa  
24 Clara, California, and anticipates the creation of  
25 1,500 jobs in California by 2015, directly resulting

1 from this project. This project will be completed by  
2 July 2012. This grant agreement has been approved by  
3 the RD&D Committee, and I will gladly answer any  
4 questions at this time. Thanks.

5 CHAIRMAN WEISENMILLER: Commissioners, any  
6 questions or comments?

7 VICE CHAIR BOYD: I have no questions. But,  
8 as indicated, it did come before the RD&D Committee  
9 and I'm prepared to move approval.

10 COMMISSIONER DOUGLAS: Second.

11 CHAIRMAN WEISENMILLER: All in favor?

12 (Ayes.) This goes unanimously. Thank you.

13 MR. DAVIS: Thank you.

14 CHAIRMAN WEISENMILLER: Item 15. Minutes.

15 VICE CHAIR BOYD: Move approval, Minutes of  
16 March 17<sup>th</sup>.

17 COMMISSIONER DOUGLAS: Second.

18 CHAIRMAN WEISENMILLER: All in favor?

19 (Ayes.) The Minutes for Item B?

20 COMMISSIONER DOUGLAS: Move approval of Item  
21 15B, March 23<sup>rd</sup>.

22 VICE CHAIR BOYD: Second.

23 CHAIRMAN WEISENMILLER: All in favor?

24 (Ayes.) The Minutes are approved. Item 16.

25 Commission Committee Presentations and Discussions.

1                   COMMISSIONER DOUGLAS: I have a brief  
2 announcement, Chairman. Next month, May, is Bike  
3 Month, which is to promote bicycling for recreation  
4 and errands, as well as a viable alternative to the  
5 automobile for commuting to work and to school. Bike  
6 Month covers the entire Sacramento Region and in 2010,  
7 over 369,000 miles were logged. As of this morning,  
8 the Energy Commission joins 84 other employers by  
9 officially registering as a club for May is Bike  
10 Month. Participants will pledge miles that they'll  
11 ride and will later log actual miles ridden. You  
12 don't have to be a *Hero D'Italia* winner to  
13 participate, and there will be no anti-doping tests,  
14 although I have to say that doping is definitely not  
15 recommended. Modest rides of a few miles to and from  
16 work, or two and from other errands will get the job  
17 done, save energy, and improve your health. The  
18 official website, [Http://www.MayIsBikeMonth.com](http://www.MayIsBikeMonth.com) can  
19 help you make routes to and from work. There is also  
20 a Facebook fan page for May Is Bike Month. The Energy  
21 Commission has for many years participated in the  
22 Employer Bike Challenge with riders logging anywhere  
23 from 25 miles to more than 1,000 miles for the month  
24 of May. Last year, Commissioner Eggert created even  
25 more interest in the event in the Energy Commission by

1 offering to buy a drink of one's choice to each rider  
2 who logged more miles than he did; ultimately, only  
3 six people logged more miles than Commissioner Eggert  
4 and not everyone claimed their drink. I actually,  
5 when he made that announcement, rather rashly  
6 announced that I would join the competition, even  
7 though at the time I had fairly heavy job  
8 responsibilities, two kids under 4, and I actually  
9 didn't even get around to registering, even though I  
10 did occasionally ride and tooled around Davis. I also  
11 didn't get around to ever making the ride from Davis  
12 to Sacramento, so I'm attempting to do a little better  
13 this year and I hope to inspire others in the Energy  
14 Commission to do a little better this year by renewing  
15 Commissioner Eggert's challenge, but with a twist.  
16 Commissioner Eggert has offered to come back in and,  
17 so, again, for those of you long time and hard core  
18 riders who are regular participants in May is Bike  
19 Month, you know, let's see if we can get more than six  
20 to exceed his miles. My challenge is going to be to  
21 Energy Commission employees who have not registered  
22 ever, or at least recently, in May is Bike Month,  
23 probably have to go in your garage, dust off your bike  
24 like I did, and get it fixed up, in order to be road  
25 ready. And so, if you ride more miles than me, and

1 that's probably not such a high bar, so, come on, then  
2 I will buy you a drink, and Commissioner Eggert and I  
3 will coordinate the Happy Hour and we'll share the  
4 financial liability together of these two challenges.  
5 So, I hope that my fellow Commissioners consider  
6 registering, I hope that staff considers registering,  
7 I hope that first timers dust off their bikes and come  
8 on out and at least ride more miles than me, and we've  
9 also extended an invitation to some other appointees  
10 to join us, and so we'll see if appointees in other  
11 agencies, or other appointees in the Governor's  
12 Office, where Commissioner Eggert now is, would like  
13 to join our competition. Thank you.

14 VICE CHAIR BOYD: Well, now that I've heard  
15 the magnitude of the challenge from Commissioner  
16 Douglas, based on past performance, I might even be  
17 willing to accept the challenge. I would say, and I  
18 will do better this year, that for years I always led  
19 the ARB's annual bike trek and bike to work day, and  
20 what have you, I've gotten a little lazy and a lot  
21 older, but weather permitting, I'm tempted this year  
22 to try a few commutes to work. I've moved recently,  
23 which affords me the opportunity to spend more time on  
24 the bike trail and less time on the city streets, and  
25 I might feel a little bit better about that in terms

1 of getting to work. But I think it's a very worthy  
2 thing and, yes, I've been impressed with this agency's  
3 performance in the past. We've got some very diligent  
4 bike riders -- long distance bike riders -- so I don't  
5 even hope to come anywhere close to their mileage, but  
6 to log more than I did last year, zero, shouldn't be  
7 too hard a challenge. So I'll hope to see you on the  
8 streets.

9 COMMISSIONER PETERMAN: And I will say, I  
10 will sign up, although I learned how to ride a bicycle  
11 in October, and I have a 25-year-old PT Cruiser, and  
12 so I won't be taking it to work, but I will attempt to  
13 take it out of my apartment.

14 COMMISSIONER DOUGLAS: Excellent, well, I do  
15 remember that Commissioner Eggert, after the month of  
16 May, had dragged about half-way through, or more, and  
17 I hadn't yet registered, and at one point said to me,  
18 "Well, at least register and log a couple miles and  
19 I'll buy you a drink anyway," so I hope that we all  
20 manage to rise to the occasion here.

21 VICE CHAIR BOYD: But would you share that  
22 registration site with us in an email, so I --

23 COMMISSIONER DOUGLAS: I will.

24 VICE CHAIR BOYD: -- I don't forget to do  
25 it? Thank you. If no one else has anything else,

1 I'll jump in and report on a couple of items, one, the  
2 Chairman and I last week, as the Research Committee  
3 participated in the PIER Advisory Committee Meeting,  
4 well, the first meeting of this year, but a follow-on  
5 meeting to a very productive meeting late last year,  
6 and I would just say that this meeting also was  
7 impressive and productive, it was a very good meeting.  
8 Staff did an excellent job in agenda preparation and  
9 materials preparation, and it made for a lengthy  
10 discussion on a host of research issues and issues  
11 affecting the way we operate the research program and  
12 the projects we pursue. While, of course, the major  
13 objective of the meeting and the agenda was structured  
14 in a way to talk about research needs, strategic plan  
15 needs, and the operation of the research program,  
16 there was no getting away from the issue hanging over  
17 the head of the program of its reauthorization and the  
18 Legislature's hearings to date, and what have you.  
19 And so, the staff and, I think, the two Commissioners  
20 adeptly modified the agenda at noon time to facilitate  
21 a roundtable discussion on that topic. It proved to  
22 be very helpful and actually facilitated our ability  
23 to finish the agenda where there was some question  
24 whether we could return to the agenda, so all in all,  
25 I thought it was a very helpful and productive day.

1 And it puts us on a path to continue a very active  
2 interchange with our advisory committee, certainly a  
3 minimum of two meetings a year, but a lot of  
4 willingness on the part of advisory committee members  
5 if summoned to come together even more often and come  
6 together sooner rather than later with regard to the  
7 issues confronting the future of the program at the  
8 present time. So, it probably - well, the last two  
9 meetings have been extremely good and we're on a very  
10 good track and we've made a lot of commitments and  
11 followed through on those commitments, which I think  
12 was recognized by committee members. We had for the  
13 morning session participation from representatives of  
14 - staff representatives of the Legislature, we had for  
15 the entire meeting a staff person from another  
16 Assembly member's office, and it was a Science Advisor  
17 who made some very good contributions and, at the end  
18 of the meeting, was quite impressed with the whole  
19 operation. So, I think it worked out quite well and  
20 the staff invested a tremendous amount into it and  
21 they got a return on that investment in terms of  
22 appreciation of the members for the material that they  
23 had seen, and it was evident to me that they had given  
24 instructions last fall - or suggestions - that the  
25 staff followed and, as they heard the discussion about

1 and the consequences of some of those discussions,  
2 they modified their view in some areas to a slightly  
3 different position with regard to the way we should  
4 proceed, which was evidence to me of the fact that  
5 they absorbed everything they heard, took it into  
6 consideration, and had very positive comments to make.  
7 So, I think it was very positive and I sure look  
8 forward to the ability of this Commission to continue  
9 active interface with this advisory committee, it's a  
10 very energized group of people. I would say the  
11 gauntlet was thrown down to some of them to use this  
12 forum as a forum to discuss their concerns, rather  
13 than us hearing about them in other ways, even in  
14 hearings in front of the Legislature, and not getting  
15 caught off guard. Anyway, I think we're making some  
16 good progress and, of course, we all hope there is a  
17 program next year for there to be an advisory  
18 committee to advise us on, so we look forward to  
19 success in that arena.

20           Secondly, I would just mention that this is  
21 U.C. Davis' Energy Week, they have a series of forums.  
22 I know at least one other Commissioner and I were  
23 featured speakers in a couple of the different forums,  
24 and I know there is staff in participation and I know  
25 I spoke yesterday at the Bioenergy Forum and it

1 continues today, and my Advisor and staff, I know, are  
2 there today, as well. And Commissioner Douglas spoke  
3 the previous day. And I've honestly forgotten your  
4 forum, or your topic, and you can remind us all, but  
5 it was good to see this activity and it was good to  
6 see the very significant turnout of people who were  
7 participants and members of the audience and the  
8 interchange that takes place, and that we as an agency  
9 have invested a fair amount of money in U.C. Davis'  
10 multiple offices and collaboratives and research  
11 activities, and it has invested again in these kinds  
12 of very public forums where there is a very positive  
13 exchange of ideas and kind of progress reports on  
14 where certain subjects stand. And, quite selfishly,  
15 it provided yet another opportunity to give a  
16 commercial about the PIER Program and the need to  
17 support the PIER Program in the future.

18 Thirdly and lastly, I'll mention, as the  
19 Chairman knows, the evening before my last, my office  
20 received an email from the U.S. Senate Environment of  
21 Public Works Committee, asking me to come testify next  
22 Tuesday on a special hearing they have scheduled on  
23 Nuclear and Earthquake issues precipitated by the  
24 events in Japan, the Chairman was very supportive of  
25 my attempting to participate, but we recognize on such

1 short notice, it is hard to get approval to do things  
2 like that. I am very pleased to report that, in a  
3 period of four hours yesterday, and all done verbally,  
4 the State system received and approved all the way up  
5 to and including the Governor's Office, this travel  
6 request. So I'm actually - Marlena is struggling to  
7 even find any vacancies on airplanes to get me there  
8 and back on such short notice, but it's cause for a  
9 lot of work on our part, but it's a cause for  
10 recognition, we didn't solicit this. I guess we are  
11 represented on the panel with Ms. Lisa Jackson, head  
12 of EPA, and with Mr. Jaczko, who is head of the  
13 Nuclear Regulatory Commission, so California's  
14 interest in this subject, somehow or another, gains  
15 some visibility, and I am aware that the Senate Energy  
16 Committee is holding a hearing next week on this  
17 topic, but as of this moment we don't know if the  
18 Energy Commission has a role in that hearing, so more  
19 to follow. In any event, I will be going to  
20 Washington Monday and going to the hearing Tuesday and  
21 attempting to get back Tuesday night - attempting is  
22 the way we last left it when I left my office this  
23 morning. So, there's my report, Mr. Chairman.

24 CHAIRMAN WEISENMILLER: Thank you.

25 COMMISSIONER DOUGLAS: Mr. Chairman, I guess I

1 should follow-up on Commissioner Boyd's report by  
2 saying that I did speak, as well, at the U.C. Davis  
3 Energy Week and I was on a panel that was responding  
4 to a report put out by - I'm trying to remember now -  
5 but Jeffrey Greenblatt and a number of other  
6 contributors on pathways to not only our 2020, but our  
7 2050 greenhouse gas targets. And the report is going  
8 to be available in a couple of weeks, we were  
9 responding to a presentation of what the report would  
10 say. It was also at least partially PIER funded and  
11 it was very interesting. I think that former  
12 Commissioner Geesman was on the panel with me and he  
13 made the point that, when you look out beyond, say,  
14 seven to 10 years, it becomes very difficult to  
15 project, and yet it's helpful, obviously, to look at  
16 least one well analyzed vision of what it could look  
17 like, getting to 2050, in order to help us understand  
18 the scale of the challenge, and the types of measures  
19 that in some combination we're going to have to take.  
20 Interestingly, it probably won't be a surprise to this  
21 Commission, but the themes that I took away from the  
22 report are the importance of energy efficiency, and  
23 the importance of electrification, as well as other  
24 alternative fuel possibilities in getting to these  
25 goals.

1                   CHAIRMAN WEISENMILLER: Thank you. Carla?

2                   COMMISSIONER PETERMAN: Nah, I won't report  
3 anything, thanks. Okay, I'll report that. I spoke  
4 last week at the California Municipal Utilities  
5 Association's annual conference in the Palm Springs  
6 Area, and that was a great opportunity to share with  
7 them what's going on at the CEC, the work we're doing  
8 with public utilities, as well as a good opportunity  
9 for me to get up to speed about the work we're doing  
10 with them, and I believe it was well received,  
11 including my jokes. So, looking forward to more  
12 collaboration with those utilities.

13                   CHAIRMAN WEISENMILLER: Yes, so, I'll  
14 conclude. As per Vice Chair Boyd about the PIER  
15 Committee, that was my first opportunity to attend one  
16 of those and I thought, again, it was a very  
17 thoughtful discussion and, certainly, the staff  
18 demonstrated that they listened to the first committee  
19 and I think the advisory committee comments, sort of  
20 moving forward, it left in a better position. And in  
21 terms of what I was going to mention was I went to the  
22 IEP spring planning meeting and talked to them last  
23 Friday on affirmative need stuff, I think certainly  
24 Commissioner Douglas remembers the workshop we had on  
25 the staff's paper and that certainly, actually the

1 first workshop I don't think there were any  
2 supporters, frankly, but certainly among the most  
3 vociferous opponents was IEP and a concern that we  
4 were somehow, you know, returning to the middle '80s  
5 in terms of need assessment. Now, frankly, the  
6 staff's choice of terminology of need assessment  
7 probably led to some of those fears, but, you know,  
8 trying to move forward from that with a dialogue, so  
9 we had a good session on that. I sort of ended up  
10 having to reschedule my flight back because the  
11 session went about twice as long as anticipated, but  
12 afterwards people were saying that they intended to  
13 roll up their sleeves and work with us on the concept.  
14 Certainly, I thought it was a successful trip.

15 Michael, Chief Counsel's Report?

16 MR. LEVY: Good morning, Commissioners, I  
17 have nothing today.

18 CHAIRMAN WEISENMILLER: Executive Director?

19 MS. JONES: I have nothing to report today,  
20 thank you.

21 CHAIRMAN WEISENMILLER: Public Advisor?

22 MS. JENNINGS: I have nothing to report,  
23 thank you.

24 CHAIRMAN WEISENMILLER: Okay, any public  
25 comment? Then this meeting is adjourned. Thank you.

1 (Whereupon, at 11:15 a.m., the business meeting was  
2 adjourned.)

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