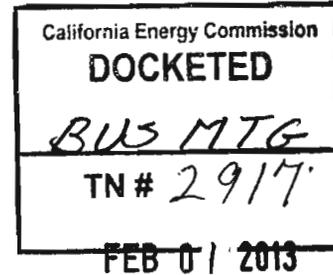


BUSINESS MEETING  
BEFORE THE CALIFORNIA ENERGY COMMISSION

In the Matter of:  
Business Meeting

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

WEDNESDAY, JANUARY 9, 2013

Reported by:  
Jacqueline Toliver  
California Shorthand  
Reporter No. 4808

 ORIGINAL

1 Commissioners Present

2 Robert B. Weisenmiller, Chairperson  
3 Karen Douglas  
4 Andrew McAllister  
5 Carla Peterman

6 Staff Present

7 Rob Oglesby, Executive Director  
8 Michael Levy, Chief Counsel  
9 Jennifer Jennings, Public Adviser  
10 Harriet Kallemeyn, Secretariat

11 Agenda Item

12	Jonah Margolis	3
13	Darren Nguyen	4
14	Consuelo Sichon	5
15	Patricia Kelly	6
16	Mohsen Nazemi	6
17	Camille Remy Obad	7
18	Roger Johnson	7
19	Raoul Renaud	9
20	James Folkman	10
21	Andrew Hom	11
22	Donald Coe	11
23	Jean Baronas	11
24	Amanda Stein	11
25	Marcia Smith	12
26	Paul Kramer	16
27	Susan Burns Cochran	16

28 Also Present

29 Interested Parties (\* Via WebEx)

30	Ronald Ishii, President, Alternative Energy	4
31	*Joerg Lohr, RWE, Germany	4
32	Gary Matthews, Vice Chancellor, Resource Management Planning	5
33	Stephen O'Kane, Vice President, AES Southland Development	6
34	Bill Brand, Redondo Beach Council Member	6
35	Matt Kilroy, Redondo Beach Council Member	6
36	Jon Welner, Counsel, City of Redondo	6
37	Lori Zaremski, NoPowerPlant.com	6
38	Dawn Esser, President, NoPowerPlant.com	6
39	*Melanie Cohen, President, South Bay Parkland Conservancy	6 (Cont'd)

1	Jane Luckhardt, Avenal Power Center	7
2	*Ingrid Brostrom, Center on Race, Poverty and Environment	7
3	*Bradley Angel, Greenaction for Health and Environmental Justice	7
4	Scott Galati, Palen Solar Holdings	9
4	Charlie Turlinski, Director of Development BrightSource Energy, Inc.	9
5	*Kim Weil, PG&E	10
6	Mike Lewis, Pearson Fuels	11
6	Jennifer Wellman, Planner/Project Manager, Holt Group	11
7	*Al Warot, Willdan Engineering	11
8	Allen Amaro, Amaro Construction	18

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P R O C E E D I N G S

WEDNESDAY, JANUARY 9, 2013; 10:05 A.M.

\* \* \*

CHAIRPERSON WEISENMILLER: Good morning. Let's start the business meeting today with the Pledge of Allegiance.

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

CHAIRPERSON WEISENMILLER: Good morning. In terms of today's meeting, we're going to start out with some personnel issues, and then Items 2 and 8 are being held, and we're going to have a Closed Session at lunch today.

So with that, in terms of personnel items, this is the first of the year, and there's been some announcements since our last meeting.

The first one I'd like to mention briefly is that Ms. Douglas has been reappointed. She was sworn in yesterday for another five years.

(Applause.)

CHAIRPERSON WEISENMILLER: Okay. Now, so the next announcement is the great news about Carla Peterman's appointment to the PUC. This is going to be her last business meeting with us, and we wanted to note this occasion also.

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First, let me read a resolution that we have:

"Whereas, Carla J. Peterman served as an energy commissioner of the California Energy Commission from 2011 to 2013; and

"Whereas, Carla J. Peterman has shown exemplary leadership in guiding the Energy Commission's transportation and renewable energy policies and programs to meet state goals and improve the quality of life in California; and

"Whereas, Carla J. Peterman served as board member of Safe Bidco, representing the State of California on the Western Interstate Energy Board and was elected chair of the Plug-In Electric Vehicle Collaborative; and.

"Whereas, Carla J. Peterman exhibited great poise, intellect and vision in her oversight of the 2012 Integrated Energy Policy Report Update, the Renewables Portfolio Standard Eligibility Guidebook update, the Renewable Action Plan, the New Solar Homes Partnership Guidebook, and the 2012-13, and 2013-2014 Alternative and Renewable Fuel and Vehicle Technology Program Investment Plans; and

"Whereas, Carla J. Peterman, as the California Energy Commission's Public Member, showed never-ending commitment to the public she served as

1 well the people with whom she worked, always  
2 leading her meetings with a sense of humor,  
3 passionate leadership and positive encouragement  
4 and sincere gratitude for the hard work of her  
5 colleagues; and

6 "Whereas, Carla J. Peterman won over the hearts  
7 of the Energy Commission with her professionalism,  
8 intelligence, compassion and enchanting YouTube  
9 worthy hula hooping skills; and

10 "Whereas, Carla J. Peterman has served the  
11 people of California with enthusiasm, creativity,  
12 and passion for the public good while working with  
13 stakeholders, Commissioners and staff to encourage  
14 synergies and find innovative solutions to overcome  
15 the most germane challenges and advancing energy  
16 policy.

17 "Thereby, be it resolved California Energy  
18 Commission recognizes, values and is grateful to  
19 Carla J. Peterman for commitment and service to  
20 the citizens of California, her professionalism and  
21 charismatic leadership will be missed by her fellow  
22 Commissioners and Energy commission staff."

23 (Applause.)

24 (Photo session.)

25 COMMISSIONER PETERMAN: Good morning, everyone.

1 Thank you for such a fantastic welcome introduction and  
2 resolution. I think I'll be using this as my bio going  
3 forward.

4 It really is a great summation of my experience  
5 here. I have a few comments to make. And before I do,  
6 though, you know, I see -- it's great looking out at  
7 this room. In my first business meeting, I didn't know  
8 anyone and now I recognize almost everyone, and it  
9 really is a testimony to the work that we've done  
10 together.

11 And there are some who are standing, and I want  
12 to say in my form of wanting to have a good  
13 conversation, please have a seat as I make my comments.  
14 They won't be too long.

15 My assistant, Kathleen McDonnell, who's hiding  
16 back there, or anyone else, there's some seats up here  
17 and seats there. And particularly, you know, I see  
18 Jerome back there, who keeps the microphone on which  
19 allows me to be heard; and I want to make sure he hears  
20 my thank you. Yes, please come in.

21 Well, since folks are being shy, I'll get on  
22 with my comments.

23 Another thing I was reflecting upon is that my  
24 first business meeting I did not know we had to say the  
25 Pledge of Allegiance, and so when we stood up I was

1 hoping I recalled it; and I was very proud that I did.  
2 So all that practice and all that schooling really did  
3 help.

4 I've put together some comments I wanted to make  
5 today; I've got about four pages here. And I had to  
6 laugh because I really tried to keep it short.

7 And it makes me appreciate the talents that  
8 Commissioner Jim Boyd had when he retired after fifty  
9 years of state service because I only have two. And  
10 being sympathetic for his past, as well being more  
11 forgiving of his three-plus retirement parties to get  
12 the information out. So, thank you.

13 As has been noted by the Chairman, this is my  
14 last business meeting before starting my appointment as  
15 a California Public Utilities Commissioner.

16 It has been my absolute honor to serve as a  
17 Commissioner at the CEC and truly a fulfillment of a  
18 long-standing dream to be in public service and working  
19 to improve the energy system and the environment that we  
20 all cherish.

21 As with any transition, I have a mix of  
22 emotions. But most prominent are gratitude and pride.

23 First, I have gratitude for the family, friends,  
24 teachers, mentors, colleagues, staff, stakeholders, and  
25 talkative strangers who have encouraged, supported,

1 informed, and challenged me as I developed my  
2 understanding of resource issues and perspectives on  
3 regulation.

4 In particular, thank you to my parents, Carl and  
5 Phyllis Peterman, for their wisdom and support, and my  
6 brother Chad, who was the first to get me interested in  
7 environmental and policy issues, and who I really  
8 consider the smart one of the family.

9 Over the last two years, thanks to this  
10 position, my network of support and information has  
11 expanded.

12 I'm thankful to Governor Brown for his  
13 progressive leadership on energy and for giving me an  
14 opportunity to work at the CEC with wonderful  
15 colleagues.

16 Chair Weisenmiller, I have appreciated your  
17 leadership, keen intellect, and insight into our  
18 electricity system, and partnership on so many  
19 proceedings.

20 Commissioner Douglas, I've learned a great deal  
21 from your legal perspective, environmental awareness,  
22 and grace handling challenging, exciting cases and fun  
23 deployment.

24 Commissioner McAllister, first of all, we are  
25 all so thankful that you showed up. The fuller our

1 dais, the more comprehensive our process. But more than  
2 a warm body, your enthusiasm is contagious and your  
3 experience is enviable. I regret we don't have more  
4 time to work together.

5 Finally, again, a special thanks to Commissioner  
6 Boyd, who still, after fifty years of public service,  
7 remains committed and passionate, and from whom I've  
8 learned much.

9 My fellow Commissioners are responsible,  
10 tireless, caring, and thoughtful. And as a Californian,  
11 I'm proud they have chosen to be in public service and  
12 are working on these complex issues. Thank you.

13 I have faith in the state's ability for success,  
14 rooted largely in my confidence in the quality of civil  
15 servants within the CEC and our sister agencies.

16 The dedication and the expertise of the CEC  
17 staff is immense and is too often under sung.

18 Staff, thank you for your work and engagement  
19 that you've provided on critical issues, and for  
20 providing the Commission with the support to make  
21 thoughtful decisions.

22 A special thank you to the support staff,  
23 business services, and IT who keep this place running.

24 Thank you, in particular, for the leadership  
25 within the various CEC divisions for your responsiveness

1 and management, not only of your staff but also of your  
2 Commissioners.

3 A special thank you to Executive Director Rob  
4 Ogelsby. I can see first hand the long-lasting  
5 contributions to the CEC you've already made in both  
6 process and substance, and look forward to further  
7 seeing the fruits of the Executive Office's labor.

8 I value the critical role that you all play and  
9 will continue to draw upon and reference your expertise  
10 in my new role.

11 A special thank you to my office staff and  
12 advisers: Kathleen McDonnell, Jim Bartridge, Saul  
13 Gomez, Leslie Baroody, and Tim Olson. In addition, to  
14 being nice people, they are also wickedly smart,  
15 competent, compassionate, funny, creative, and abundant  
16 in common sense, which is sometimes short in our space.

17 I could not have asked for a better team and  
18 look forward to supporting all the positive  
19 contributions you will continue to make to make to our  
20 state going forward.

21 At the Energy Commission I've had the  
22 opportunity to work on a cross section of energy issues  
23 and, in particular, energy planning, renewable  
24 deployment and research, clean transportation,  
25 electricity and gas analysis, and power plant siting. I

1 am proud of the work we've accomplished.

2 In the last business meeting, all the  
3 Commissioners discussed the highlights from the last  
4 year, so I will not rehash. However, in my time at the  
5 CEC, the Commission has approved a number of standards,  
6 contracts, and initiatives that assist in transitioning  
7 California's energy and economic sector to be cleaner  
8 and more reliable.

9 There are too many to name, but highlights  
10 include higher energy efficiency standards for buildings  
11 and appliances, funding for energy efficiency  
12 improvement, implementing the 33 percent RPS,  
13 improvement to the new solar homes partnerships and  
14 emerging renewable programs, advancement in research  
15 priorities, coordination with federal and local  
16 government on renewable siting and electricity  
17 infrastructure, and funding for alternative energy.

18 We have benefited from increased coordination  
19 with stakeholders, especially with sister agencies, the  
20 military, and federal and local governments and  
21 agencies.

22 Indeed, I have gotten to know and work with my  
23 future colleagues at the PUC since, like the leadership  
24 from the other agencies, they have participated in the  
25 Energy Commission's IEPR workshops and forums.

1           This participation was vital for developing our  
2 recommendations to the state. I look forward to  
3 encouraging and continuing such cooperation.

4           One constant I've learned in working on these  
5 issues is that everything is interconnected and the  
6 impact of decisions are not siloed.

7           As the problems we are addressing are complex  
8 and constantly evolving, the expertise of the agencies,  
9 utilities, environmental and community groups and  
10 businesses are invaluable.

11           As a public member, I cannot highlight enough  
12 the importance of the involvement of the public, and  
13 especially from under-represented communities in  
14 improving our decision-making. I encourage the Energy  
15 Commission to seek opportunities to further include  
16 these perspectives, and I will continue to do that at  
17 the PUC.

18           We are in the midst of transformative times, and  
19 to overcome serious changes such as climate change, air  
20 pollution, and the slow economy, communication and  
21 collective problem solving will be key.

22           As I transition, I look forward to a continued  
23 focus on maximizing the value of investments in the  
24 energy and other regulated sectors, and communicating  
25 that value.

1           My venue is changing but my commitment to the  
2 state's overall success remains the same.

3           So there's plenty more I could say but I need to  
4 save something for Act 2, so thank you for indulging me.

5           And it's been a pleasure to work with you. I'll  
6 miss you all. Thank you.

7           (Applause.)

8           CHAIRPERSON WEISENMILLER: Again, we'd like to  
9 thank you for your public service at the Commission.  
10 Just a few words more on a personal note on this  
11 resolution.

12           First, Commissioner Peterman and I were among  
13 the first appointments in Energy of the Brown  
14 Administration, and so we've always had that sort of  
15 connection, being one -- two of the first four. And at  
16 the same time, both of us were drawn to California by  
17 the strength of the university system.

18           And, you know, in fact, both of us and other  
19 Commissioners on the dais in fact got our training in  
20 the Energy Program and Resources Program at the  
21 University of California, Berkeley. So, again, that's  
22 sort of another bond between us, and certainly a  
23 testament to that program.

24           In her first year -- I remember the first  
25 business meeting -- we gave her a fairly complicated,

1 messy case. She certainly responded well to that  
2 baptism by fire.

3 And at the same time I would say one of the more  
4 memorable things for both of us was working on the EPIC  
5 Investment Plan where we had a very tight deadline and  
6 we both had very high expectations, but we worked with  
7 the staff, and I believe they exceeded our expectations  
8 going through that.

9 And, again, we've all talked about all the  
10 various other things, but I think the major thing I  
11 wanted to indicate is it's been a pleasure to work with  
12 her, and certainly I look forward to watching her  
13 continued career in public service.

14 And, you know, as I said, her career has just  
15 begun, but we're certainly looking forward to great  
16 things in the future.

17 COMMISSIONER PETERMAN: Thank you.

18 COMMISSIONER DOUGLAS: You know, I would also  
19 like to second everything that Bob said.

20 Carla, you've been just a tremendous pleasure to  
21 work with, and it's been impressive and fun to watch you  
22 come in and take up hard issues from day one and bring  
23 us -- bring us solutions, bring us support, work with  
24 stakeholders, work closely with the staff, and really  
25 solve problems, which is so much of the Commissioners'

1 job: To solve problems and, also, bring the vision and  
2 the commitment that you have brought to this Commission.

3 We will miss you a lot. We know, of course,  
4 that we will work closely with you as a colleague when  
5 you're at the PUC. And I think that that is, you know,  
6 in some ways a really good thing; that we'll have this  
7 connection, this working relationship. And that will --  
8 that will be good for both institutions as we move  
9 forward and keep working together.

10 I just wanted to say that I have really enjoyed  
11 working with you; I'll look forward to working with you  
12 when you're at the PUC, and it's been a very good couple  
13 of -- it's been a very good time with us in the  
14 Commission. And, particularly, as you said, we were all  
15 delighted when Andrew was appointed.

16 We also had, you know, a fair run functioning  
17 with the three of us, and the same workload, of course,  
18 that you always have divided among fewer people. We're  
19 about to experience that again for some period of time  
20 with our colleague, Commissioner McAllister; and, you  
21 know, we'll make it work. To the extent that we need  
22 to, we'll, of course, pull together on this.

23 So, anyway, good luck. And we'll work with you  
24 closely.

25 I wanted to say, just in terms of my

1 reappointment, it is, of course, a tremendous honor, and  
2 I'm delighted to be here for another term and delighted  
3 to continue doing the work of the state and the people  
4 of California and the Energy Commission.

5 We've got a talented, hard-working staff and  
6 we've got a tremendous Commission, and it's been a real  
7 privilege and pleasure to work with each and every one  
8 of you, and Commissioner Boyd and other colleagues as  
9 well. So, anyway, thank you.

10 COMMISSIONER MC ALLISTER: I agree with what  
11 Commissioner Weisenmiller and Douglas have said. And I  
12 think Carla's -- Commissioner Peterman's commitment to  
13 the state and the energy sector here is unquestionable  
14 and incredibly deep, and I really valued working with  
15 her.

16 It's a little bittersweet to see you go so soon  
17 because I was looking forward to a longer run, for sure.  
18 And we also have the bond of being -- this is, luckily,  
19 now in my past, but it was very present for a long  
20 time -- being a doctorate of students at UC Berkeley;  
21 and we wish you the best on finishing that up. And I  
22 say that without irony, actually.

23 COMMISSIONER PETERMAN: You will be hearing from  
24 me as I get chapters sent.

25 COMMISSIONER MC ALLISTER: Excellent.

1    Excellent.  But, you know, your generosity of -- sort of  
2    intellect and spirit is really exemplary and unique, I  
3    think, in a lot of ways; and I think it's been  
4    tremendous for the Commission.  And I know and I hear  
5    and see how staff and stakeholders and even we  
6    Commissioners respond to that.  It's really -- it's  
7    great.

8           And I'm really looking forward to even more deep  
9    and kind of seamless interaction with our sister agency  
10   over at PUC having you there because, you know, as good  
11   as it's been in my memory -- and certainly that's the  
12   case, but I think there are, you know, great reasons to  
13   keep that collaboration close and tight to avoid  
14   duplication and all those kind of things.

15           I think it's a really -- it's a very positive  
16   thing in a lot of ways to have you there.  We all know  
17   you'll do a bang-up job, and that kind of collaboration  
18   is really what California needs going forward.

19           I'm certainly happy to -- I'm glad I could come  
20   here and keep a seat warm, but -- and I don't know if  
21   Commissioner Douglas' reappointment means that I am no  
22   longer the junior member of the Commission.  I will  
23   choose to maybe think so.  I don't know.

24           But I agree we have really just a tremendous  
25   staff, and hopefully -- how long was it?  A year or

1 something that there were only three members of the  
2 Commission, and hopefully it won't be that long this  
3 time; but, you know, if it is, we'll work through it.  
4 And I think we have the capacity to do that.

5           And so I'll just close with an anecdote about,  
6 you know, my first business meeting was actually before  
7 I was a sitting Commissioner, and I was at a workshop  
8 speaking at the seat right next to the dais right there  
9 that Carla was presiding over. And I was sitting there  
10 and I was making my presentation, and the press release  
11 went out that I was going to be appointed.

12           And so Carla actually made the announcement to  
13 the group at the workshop that I'd been appointed and  
14 everything. It was actually quite amazing in the sort  
15 of immediate change in how I got treated.

16           So that was the beginning of -- the little  
17 inkling that I got about, oh, you know, this is actually  
18 -- this is important work, you know. And it is.

19           And that's only been strengthened as I came and  
20 got involved and took on some policy areas and really  
21 worked with the Commissioners side by side, and the  
22 staff together, to try to develop sensible, you know,  
23 but aggressive policy for the state.

24           And I'm still just getting started, really. I  
25 think there is so much to do. 2013, I think it's going

1 to be a great year.

2 And I just want to extend my congratulations to  
3 Commissioner Peterman, and thank you for your service,  
4 and I really look forward to working with you going  
5 forward.

6 COMMISSIONER PETERMAN: Thank you all for your  
7 comments. Commissioner McAllister, I had to announce  
8 your appointment because those in the audience and other  
9 workshop panelists were reading the news on their  
10 Blackberries and coming up to congratulate you.

11 And if there is anything you need to learn as a  
12 Lead Commissioner, is that you want to control the flow  
13 of your workshop or hearings, so I figured we might as  
14 well get the news out there.

15 And, indeed, I think the only thing positive  
16 about having three Commissioners on the dais is that  
17 it's very clear who's the second. But besides that, I  
18 do look forward to working as soon as possible with new  
19 appointments to this Commission.

20 MR. OGLESBY: If I could indulge you just a  
21 minute, I want the Executive Director to kind of be the  
22 voice of staff and recognize her service to the Energy  
23 Commission, and also observe that your relationship with  
24 staff has been very strong.

25 Even though you served here a relatively brief

1 amount of time, I know you touched many a staff's life,  
2 both professionally and personally; and I wanted to  
3 acknowledge and recognize that you've earned a great  
4 deal of respect from staff. Your work ethic, your  
5 attention to detail, and your guidance is greatly  
6 appreciated.

7           And I know that there's going to be a continued  
8 relationship you'll have in your new role, but I've  
9 observed that you've created a bond with staff that's  
10 going to continue on in your new role.

11           And personally I want to thank you for the  
12 opportunity to work with you over this past year and a  
13 half as Executive Director for your support and your  
14 guidance on the issues you've worked on, the issues  
15 we've shared and gotten involved with somewhat deeply  
16 and difficult.

17           I won't name the issues right now; some are  
18 still going on to this day, but I know we have had some  
19 challenging issues that were worked through  
20 successfully, and thank you for the support.

21           And I, too, look forward to working with you in  
22 your new position.

23           COMMISSIONER PETERMAN: Thank you very much.

24           I was a stranger when I moved to Sacramento, and  
25 so when I arrived at this building I really wanted to

1 make a point of getting to know the people I'm working  
2 with because we all have to come here every day. We see  
3 each other more often as much as we see our families,  
4 and so it's really been a pleasure getting to know  
5 people on a personal level.

6           You'd be surprised that the person who is the  
7 best analyst on an issue is also a master gardener or  
8 coaches Little League.

9           And we're all Californians. I mean, I reflect  
10 every day that what we're doing will affect us in the  
11 end. It affects our rates; it affects our health, and  
12 so I think it's important to remember that, to see each  
13 other as individuals. And not only in our roles, but I  
14 think we all have a part -- lobbyist, stakeholder,  
15 government worker -- in making this system better.

16           So I've had a lot of fun in this job and truly  
17 the people will be the thing I'll miss the most. So  
18 thank you. And thank you for all your comments.

19           And, again, I want to thank you all who have  
20 come here to hear me wax poetically about my experience  
21 here. And now we can get about some business.

22           Thank you.

23           CHAIRPERSON WEISENMILLER: Again, thanks.

24           And, actually, we have one more personnel issue.  
25 And I would like to get some remarks about Jennifer

1 Jennings.

2 Jennifer is our Public Adviser, and this is,  
3 again, her last business meeting.

4 Do you want to come up? I'm sure all of us have  
5 remarks to give.

6 So, anyway, again, next week the Energy  
7 Commission will say goodbye to our Public Adviser.

8 Jennifer was appointed to the position in 2010  
9 by Governor Schwarzenegger. Her appointment to the  
10 Energy Commission was part of a long career in  
11 environmental activism and public service.

12 Earlier in her career, Jennifer helped to found  
13 the statewide environmental organization Friends of The  
14 River.

15 In 1970, she testified in Washington, urging  
16 congress not to appropriate for the construction of the  
17 New Melones Dam that would ultimately drown parts of the  
18 Stanislaus River.

19 In the 1970s, then-Governor Brown appointed  
20 Jennifer to the nation's -- the state's Boating and  
21 Waterways Commission.

22 Since then, she has served at the Office of  
23 Planning and Research, Department of Water Resources  
24 Coastal Conservancy, Air Resources Board, and finally,  
25 at the California Energy Commission.

1           Along the way she also served in Washington,  
2 D.C. as an attorney for the Federal Trade Commission.

3           As the Commission's Public Adviser, she's worked  
4 tirelessly to ensure that everyone had a voice in  
5 decisions we made about California's future. She was on  
6 the front lines as thousands of Californians and  
7 interest groups were considering adding renewable energy  
8 as a major source of electricity.

9           For example, in 2009 the Energy Commission had  
10 nine huge solar thermal power plants under review, as  
11 well as several gas-fired power plants, which created an  
12 unprecedented workload for the Commission and the staff  
13 and the Public Adviser.

14           Jennifer and her staff have been fielding  
15 questions from a broad spectrum of people on how to  
16 participate in the Commission's power plant siting and  
17 licensing process.

18           Some memorable examples were the Ivanpah Solar  
19 Project in the Mojave Desert, which was our first  
20 complicated, very large scale project in our fragile  
21 desert environment.

22           And the Carlsbad Energy Center which, again,  
23 generated numerous staff workshops and public hearings  
24 attended by hundreds of residents.

25           And the Quail Brush Project now. Numerous

1 public workshops, with Jennifer responding to hundreds  
2 of members of the public, elected officials, and public  
3 agencies.

4           These are just a fraction of her activities as  
5 Public Adviser in a power plant siting case. But  
6 certainly she's also worked with us tirelessly to open  
7 up to make the place more transparent.

8           So we certainly appreciate her help in getting  
9 the agenda material on line so the public would have  
10 access to it, and helping us to go through that  
11 transformation from snail mail to much more -- getting  
12 much more information in a way that the public could  
13 access.

14           As I understand now, Jennifer and her husband,  
15 Michael, both attorneys, will soon move to Truckee,  
16 where she plans to continue working on justice in  
17 environmental issues.

18           As she moves to the Energy Commission to  
19 well-deserved retirement, I hope Jennifer won't miss  
20 seeing any more of our blue cards. And I know that --  
21 well, she asked us not to make a big deal about her  
22 leaving, but I wanted to take a moment to thank her for  
23 her many years of public service to California,  
24 especially her time here at the Energy Commission; and,  
25 again, to recognize her dedication to the public of

1 California and the environment in California.

2 So, again, thank you.

3 (Applause.)

4 MS. JENNINGS: Thank you, Chair Weisenmiller. I  
5 appreciate the thoughts, even though I asked that they  
6 not be made. I know that the Public Adviser's Office is  
7 in good hands with Blake Roberts and Laura Murphy, and I  
8 appreciate the openness of your body bringing in the  
9 public more.

10 You have some controversial projects ahead of  
11 you, one of which you will hear of today. I'm hoping  
12 that they will -- I'm sure they will have a lively  
13 experience with the Commission.

14 It's a complicated process; it requires a lot of  
15 them, and so I do hope that the Public Adviser's office  
16 is an asset to the public and to the Commission at the  
17 same time.

18 So, thank you for your thoughts. And  
19 Commissioner Peterman and Douglas, congratulations. And  
20 Commissioner Peterman, we're going on the opposite ends  
21 of I-80, but maybe sometime we'll meet in the middle.  
22 So thank you.

23 (Applause.)

24 COMMISSIONER PETERMAN: Jennifer I just want to  
25 take a moment and especially say as a public member I

1 have greatly appreciated the work you have done as a  
2 public advisor.

3 You have been tireless and hardworking, and you  
4 are always open to exploring options to make the process  
5 better.

6 And you've been good at identifying where we  
7 need to improve. And I know the improvements aren't  
8 happening as fast as you might like to see, but you have  
9 sown the seeds for change. And I have seen progress in  
10 our public inclusion over the last few years that I have  
11 been here, and I look forward to seeing more of that  
12 with Blake.

13 So, thank you for your service to the state.

14 COMMISSIONER DOUGLAS: Jennifer, I also want to  
15 thank you. We've worked together closely many times on  
16 many issues, and it's always been helpful when you've  
17 been able to come to me and talk to me about how you  
18 think we can do things better. It's one of the really  
19 important roles of a public adviser.

20 In addition to helping the public engage in our  
21 process, understand how our process works, you know, I  
22 know that you'll be missed. And at the same time, you  
23 know, I wish you well.

24 Thank you for the effort that you've pored into  
25 your work in the Energy Commission.

1           COMMISSIONER MC ALLISTER: I'll be very brief.  
2 Jennifer, we've worked together just a few times here so  
3 far in my brief time here, but I've definitely felt and  
4 seen your impact.

5           And, in particular, you know, sort of balancing  
6 the dual roles of really being the face of the  
7 Commission but also challenging the Commission at the  
8 same time.

9           So, you know, trying to get our processes so  
10 that we can help the public engage with what are  
11 increasingly complicated and, you know, very nuanced  
12 discussions that we have here.

13           And there's a lot of compliance to be done on  
14 our end. And it's not obviously, you know, inherently  
15 accessible by any stretch; so we need help. The agency  
16 needs help to make sure we allow that transparency. And  
17 I think you understand that in a very deep way, and  
18 that's just been very clear even in my brief time here.

19           It was nice to hear about your long history  
20 working in advocacy on behalf of the state, and I wish  
21 you all the best up in the mountains.

22           MS. JENNINGS: Thank you.

23           MR. OGLESBY: Also very briefly, I wanted to  
24 thank you for your service and your advice and your  
25 insight and the issues you brought to my attention, and

1 I did my best address.

2 If there's one word that sums up Jennifer, it's  
3 "dedicated." You are a very dedicated public servant;  
4 you do your job well, and it's a difficult job. Thank  
5 you for service.

6 MS. JENNINGS: Thank you.

7 (Applause.)

8 (Photo session.)

9 CHAIRPERSON WEISENMILLER: So as indicated at  
10 the beginning, Item 2 will be held.

11 So we're going to Item 3, ChargePoint, Inc.  
12 Possible approval of Agreement ARV-12-024 for a grant of  
13 \$499,512. And this is ARFVTP funding.

14 And Jonah Margolis, please.

15 MR. MARGOLIS: Good morning. My name is Jonah  
16 Margolis, and I am seeking approval of Grant Agreement  
17 ARV-12-024 with ChargePoint, Incorporated, previously  
18 known as Coulomb Technologies, for \$499,512.

19 It will install 206 electric vehicle charging  
20 stations at multi-unit dwelling locations within the  
21 City of San Diego.

22 ChargePoint will provide \$1.3 million in matched  
23 funding.

24 The objectives of this project is to stimulate  
25 demand for electric vehicles by focusing on the crucial

1 market of multi-unit dwelling locations, and to address  
2 the unique challenges of establishing electric vehicle  
3 charging stations in a shared-use environment.

4 ChargePoint will collaborate with San Diego Gas  
5 and Electric, the City of San Diego, and the San Diego  
6 Association of Governments to identify owners of  
7 apartment buildings and condominiums which have a need  
8 for charging stations.

9 ChargePoint will also coordinate with the local  
10 car-sharing services to integrate electric vehicle  
11 infrastructure vehicle deployment at multi-unit dwelling  
12 locations.

13 As part of the project, the electric vehicle  
14 infrastructure will be networked to include billing,  
15 maintenance, and authentication software.

16 ChargePoint will develop policies and models for  
17 dealing with issues such as the allocation of  
18 electricity and maintenance costs, reservation of  
19 parking spaces, policies for visitors, permitting issues,  
20 and homeowner associations' approvals.

21 Information gained by ChargePoint under this  
22 agreement will be used to guide development of the  
23 sub-metering protocols in the California Public  
24 Utilities Commission's alternative fuel vehicles  
25 rulemaking which is currently under development.

1           In addition, ChargePoint will be sharing their  
2 findings with the industry regulatory agencies and their  
3 regional planning team lead by the San Diego Association  
4 of Governments.

5           In closing, staff asks the Commission to support  
6 the approval of Agenda Number 3 for a grant agreement  
7 with ChargePoint, Incorporated in the amount of  
8 \$499,512.

9           I am available to answer any questions you may  
10 have. Thank you.

11           CHAIRPERSON WEISENMILLER: I believe we also  
12 have a gentleman on the line on this item.

13           MR. MARGOLIS: Not to my knowledge.

14           CHAIRPERSON WEISENMILLER: Number 3? Okay. So  
15 any questions or comments?

16           COMMISSIONER PETERMAN: Commissioners, I'll just  
17 make the comment that this project helps support the  
18 state's goal to have more charging infrastructure and  
19 multi-unit dwellings.

20           This has been a difficult market to tap in  
21 because of the principal agent challenges here, and  
22 particularly when we're trying to encourage smart growth  
23 and urban dense living, having charging infrastructure  
24 urban areas is important.

25           San Diego provided a good demonstration area.

1 It is one of the largest, if not the largest, market for  
2 electric vehicles, and the state is looking forward to  
3 benefit from the information we'll receive from this  
4 demonstration project. So, as Lead Commissioner on  
5 transportation, I'm very supportive of it.

6 COMMISSIONER MC ALLISTER: I'll just make a  
7 comment that, you know, given the -- to have first-hand  
8 experience with how challenging it can be to get some of  
9 these stations installed -- there's just so many local  
10 physical, electrical, you know, infrastructure issues,  
11 and the process can take a long time.

12 And, you know, this project is going to help  
13 push the envelope there and sort of establish better  
14 models, and so it's another very important experience  
15 targeting an extremely important sector of -- that  
16 encompasses places where we really need these charging  
17 stations.

18 And SANDAG strikes me as a really great sort of  
19 lead in that, as you said, San Diego has so many EVs and  
20 will have a lot more, but San Diego is really one of the  
21 most progressive or innovative cogs of the state and  
22 actually has a breadth of responsibilities that's pretty  
23 rare in a cog.

24 And, you know, regional transportation planning  
25 is extremely challenging right now with the climate

1 imperative and some of the issues that still remain to  
2 be resolved, but I think San Diego is right in the  
3 middle of that.

4 And so this project could really have an impact  
5 because of that sort of leading-edge process that's  
6 going on there. So, I support this project.

7 COMMISSIONER PETERMAN: Great. If there are no  
8 other comments, I will move Item Number 3.

9 COMMISSIONER MC ALLISTER: I'll second.

10 CHAIRPERSON WEISENMILLER: All those in favor?  
11 (Ayes.)

12 CHAIRPERSON WEISENMILLER: Item Number 3 passes  
13 unanimously.

14 Let's get back to the Consent Calendar for a  
15 second. Item Number 1, Consent Calendar.

16 COMMISSIONER DOUGLAS: Move consent.

17 COMMISSIONER PETERMAN: I'll second.

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

20 CHAIRPERSON WEISENMILLER: The Consent Calendar  
21 is also approved unanimously.

22 Let's go on to Item Number 4. This is  
23 Alternative Energy Systems Consulting, Inc. Possible  
24 approval of a total of \$220,554.

25 Darren Nguyen.

1 MR. NGUYEN: Good morning, everyone. I'm Darren  
2 Nguyen from the Emerging Fuels and Technologies Office  
3 in the Fuels and Transportation Division.

4 I'm here to seek grant approval for two projects  
5 for a total \$220,554 to the Alternative Energy Systems  
6 Consultants for purchase and installation of electric  
7 vehicles supply equipment.

8 The benefit of these projects is the substantial  
9 reductions in GHG emissions and the support of AB  
10 program goals.

11 Item 4(a) is in the amount of \$75,000 to install  
12 eight dual RWE Level 2 eStation Smart Systems for a  
13 total of 16 charging outlets in the UC, San Diego  
14 microgrid. The project team will provide \$39,836 in  
15 matched funds.

16 This project will increase competition and  
17 innovation by introducing into the California market  
18 proven European technology for electric vehicle charging  
19 infrastructure that is necessary to generate, store,  
20 distribute and dispense electricity as an alternative  
21 transportation fuel.

22 It will integrate data with parallel research on  
23 consumer EV charging behavior to various pricing options  
24 in the workplace and public charging stations.

25 Item 4(b) is in the amount of \$145,554 to

1 install, commission, collect data, and assess  
2 performance of three publicly accessible RWE DC Fast  
3 Chargers within the San Diego microgrid system.

4 The project team will provide \$208,964 in  
5 matched funds. The DC Fast Chargers will provide 24/7  
6 year-round access to the surrounding areas of the main  
7 campus.

8 Thank you for your consideration of these items.

9 Joerg Lohr of RWE is on the phone and would like  
10 to make a statement, as well as Ronald Ishii to my right  
11 of Alternative Energy Systems Consultants would also  
12 like to say a few words and to answer questions you may  
13 have.

14 MR. ISHII: Let me go ahead and go first.

15 CHAIRPERSON WEISENMILLER: Go ahead.

16 MR. ISHII: First of all, thank you, Chairman  
17 and Commissioners. We want to thank you for the  
18 opportunity to move these projects forward.

19 These projects, which are -- the equipment is  
20 being supplied by RWE and their partner, along with  
21 other EVSE activities at UCSD ensure that UCSD will  
22 become the largest and most diversified EV charging  
23 infrastructure in the world and in any university.

24 In addition, the concurrent and relevant EV  
25 research at UCSD in collaboration with San Diego Gas and

1 Electric on EV grid impacts provides a unique platform  
2 to advance EV technology, further the understanding of  
3 EV grid integration, and enhancing university  
4 educational offerings to address this new transportation  
5 paradigm.

6 We look forward to sharing the results of these  
7 efforts with the CEC and other California stakeholders.

8 CHAIRPERSON WEISENMILLER: Thank you. I believe  
9 we also have RWE on the line, a representative.

10 MR. JOERG LOHR: Yes. Good morning to  
11 California from Germany. This is Joerg Lohr.

12 I'm speaking on behalf of RWE Efficiency. It's  
13 a hundred percent subsidiary of the RWE Group. I am  
14 extremely honored to speak in front of the Commissioners  
15 and in front of the audience today.

16 And we would like to express our full commitment  
17 first to the project and to the work of AESC, together  
18 with the University of California, San Diego and San  
19 Diego Electric.

20 The EVSEs which will be installed in San  
21 Diego -- (inaudible) -- in San Diego by us for several  
22 reasons.

23 First, if you compare the U.S. market with the  
24 European/Asian market together, there's more vehicles  
25 newly registered than -- in the United States than

1 Europe and Japan together.

2 Specifically, California is doing a great job in  
3 bringing not just electric vehicles on the road but also  
4 in getting energy efficiency projects running and making  
5 them profitable and fill the political circumstances of  
6 the Commission.

7 And, specifically, San Diego City are certain  
8 areas perfectly located. And we were downtown by San  
9 Diego, and all the authorities and the institutions with  
10 so much support -- we never got more support anywhere  
11 outside our service territory than in San Diego. It's  
12 an innovative area.

13 And all the stakeholders, they are doing a great  
14 job and, like I said, getting as much electrical  
15 vehicles as possible on the street but also finding  
16 business cases.

17 In our philosophy, hardware and technology  
18 should follow business case or business models, and this  
19 is what we find in San Diego.

20 The technology we will present has been based on  
21 the development our company did in 2008, together with  
22 the OEM binder, and which became a global standard on  
23 May 27th of this year, which is called the ISO --  
24 (inaudible). It's a protocol for grid charging of  
25 electric vehicles, any electrical vehicle.

1 All the combined factors in the United States  
2 and in Europe finally committed to build each and every  
3 model of the electric vehicles starting on January 1st,  
4 2017, and were equipped with this charging protocol.

5 So, what we will present in San Diego on the  
6 UCSD's campus is state of the art technology, together  
7 with the extreme knowledge of UCSD's microgrid and  
8 UCSD's experts, and together with the perfect product  
9 management of AESC.

10 We'd like to thank AESC for the great support.

11 We'd like to thank UCSD for giving us the  
12 opportunity for this unique presentation, and we  
13 especially would like to thank the State of California  
14 and the California Energy Commission to fund a project  
15 which is internationally staffed, which is one of  
16 several EV integration projects, and we promise we will  
17 do our best to make it happen and to create as much data  
18 possible and to bring these new generation of EVs on the  
19 streets in San Diego.

20 Thank you very much.

21 CHAIRPERSON WEISENMILLER: Thank you.

22 I don't know if UC, San Diego wants to say  
23 anything on this item or wait until the next item.

24 COMMISSIONER PETERMAN: Well, I'd like an  
25 opportunity first to welcome Vice Chancellor Matthews

1 and Byron Washom, and congratulate you and your team on  
2 this exciting new project. And as was noted, you are  
3 also involved in the next item, so we look forward to  
4 your comments then.

5 As I was speaking about the previous projects,  
6 San Diego is a pioneering area for electric vehicles,  
7 and this project is another one that will compliment  
8 that work and bring the diversity of infrastructure for  
9 charging to the area with its demonstration of Fast  
10 Chargers and really, also, the demonstration and Smart  
11 electric vehicle infrastructure.

12 As we're moving forward to develop a smarter  
13 grid, it is important to make sure that it is compatible  
14 and that the cars that we are trying to drive in the  
15 future are compatible with that grid. So this is a very  
16 exciting project.

17 In addition to the demonstration benefits that  
18 have been noted, there are significant economic benefits  
19 to the State of California from this project. Because  
20 of this project, as was noted, RWE will be doing  
21 manufacturing of these chargers in California.

22 Thank you, too, the representative from RWE on  
23 the phone for joining us from Germany. I have no idea  
24 what time it is but it's probably not convenient, and I  
25 appreciate you taking the time to explain more why

1 you're attracted to San Diego and the growing business  
2 case that is developing in this area.

3           Indeed, we are moving forward, and this aligns  
4 well with the Governor's zero-emission vehicle plan as  
5 we plan to deploy 1.5 million electric vehicles in the  
6 state in 2025.

7           So, Commissioners, I am supportive of this  
8 project.

9           MR. LOHR: It was also my pleasure. Thank you  
10 very much.

11           CHAIRPERSON WEISENMILLER: Again, thank you for  
12 being on the line for this.

13           Commissioners, any other questions or comments?

14           COMMISSIONER PETERMAN: I will move Item 4.  
15 Sorry.

16           COMMISSIONER MC ALLISTER: I'll second.

17           CHAIRPERSON WEISENMILLER: All those in favor?  
18 (Ayes.)

19           CHAIRPERSON WEISENMILLER: Item 4 passes  
20 unanimously. Thank you.

21           Let's go on to Item Number 5, which is  
22 University of California, San Diego. Possible approval  
23 of Amendment 1 to Agreement 500-10-043 for The Regents  
24 of the University of California, San Diego to add 1.6  
25 million to the existing agreement amount. This is PIER

1 electricity funding.

2 Consuelo, please.

3 MS. SICHON: Good morning, Commissioners. My  
4 name is Consuelo Sichon with Energy, Research and  
5 Development Division.

6 This amendment will add two major items to the  
7 work scope of this contract.

8 The first item is an analysis of standalone  
9 distributed energy storage systems that UC, San Diego  
10 will competitively solicit for daily load shifting of up  
11 to five megawatt hours.

12 The original contract already includes a  
13 demonstration of a 30-kilowatt lithium ion battery  
14 storage system. So this amendment will also add  
15 analysis of multiple distributed energy storage systems  
16 integrated into the campus microgrid.

17 Additional matched funding of \$1,525,000 under  
18 this amendment is for early commercial energy storage  
19 equipment through the CPUC's self-generation incentive  
20 program.

21 The second addition to the work scope is to  
22 assess the technical performance and impact of high  
23 penetrations of electric vehicles and floatable pegs  
24 with distributed energy storage as integrated microgrid  
25 resources.

1           The electric vehicle chargers to be provided  
2 through AB 118 funding in the previous Agenda item will  
3 be supported by the campus microgrid by using renewable  
4 floatable pegs in energy storage to directly charge the  
5 DC Fast Chargers and by optimizing campus resources to  
6 provide power to over 50 Level 2 AC chargers.

7           The new distributed energy storage systems and  
8 electric vehicle chargers will be the latest addition to  
9 the UCSD microgrid that the Energy Commission's R&D  
10 program began funding with a \$1 million grant in 2008  
11 that UCSD has leveraged with over \$4 million in support  
12 from other state, federal, and private sources.

13           Staff requests approval of this amendment. And  
14 the gentlemen from UCSD are here to make comments and  
15 answer questions.

16           CHAIRPERSON WEISENMILLER: Please, Chancellor --  
17 Vice Chancellor.

18           MR. MATTHEWS: Good morning. My name is Gary  
19 Matthews. I'm the Vice Chancellor for Resource  
20 Management Planning in UC, San Diego. I greatly  
21 appreciate the opportunity to address you.

22           We have harvested and maxed out just about every  
23 available incentive for deploying distributed energy  
24 resources onto our microgrid. However, these  
25 capital-based incentives do not bring the funding

1 associated with the labor required to integrate,  
2 install, operate, analyze and report out the results of  
3 these innovative deployments.

4 The CEC, represented by this contract, provides  
5 the essential funding partnership to achieve California  
6 and UC's energy and sustainability modes.

7 So we wish to thank you for the opportunity to  
8 address you.

9 CHAIRPERSON WEISENMILLER: Again, we certainly  
10 appreciate your coming up for the business meeting. And  
11 we really value the relationship we have dealt with your  
12 campus and really, again, want to continue with you as  
13 we go forward on additional projects.

14 I think California's future is really in the  
15 area of innovation. I think one of our real assets as a  
16 state is our university system. And that university  
17 system does a marvelous job, first, of really training  
18 our citizens for the future and, you know, certainly we  
19 look forward to, you know, you providing more employees  
20 for us, frankly.

21 And at the same time, you know, you sort of take  
22 the ball in translating ideas into realities and those  
23 realities into business opportunities. I mean,  
24 certainly the microgrid that you have done has been very  
25 pioneering.

1           And so I would encourage people to look at the  
2 YouTube video that we developed with you that really  
3 tried to get the word out on that.

4           And I remember -- actually a number of officials  
5 from the Navy, you know, actually visiting the campus,  
6 you know, walking around and trying to understand what a  
7 microgrid could do in the military context.

8           So, again, that was pretty exciting; and we'd  
9 like to see that as a way that helps transform our  
10 system.

11           You know, I think particularly as we look at the  
12 implications of climate change and, you know, look at  
13 what happened in New York with Hurricane Sandy, it's  
14 particularly important that a real -- you know, the  
15 areas where we need power are very, very reliable 24 by  
16 7. In spite of whatever nature might throw at us, that  
17 we're going to need microgrids for that.

18           And so, again, I think your pioneering role in  
19 developing that. And we need to be working on spreading  
20 that throughout the state to make it much more routine  
21 in areas like campuses, military basis, you know, data  
22 centers -- everywhere where we really need power that is  
23 very, very reliable.

24           So, again, we really thank you for your  
25 leadership. I certainly always appreciate working with

1 Byron Washom, who has an amazing amount of energy and  
2 enthusiasm and creativity in these areas for you. And,  
3 again, we certainly appreciate your partnership.

4 COMMISSIONER MC ALLISTER: So I am really  
5 looking forward to supporting now this project.

6 And I also just want to -- having worked and  
7 managed a program down there for a while in the PG&E  
8 territory and worked with Byron a lot on issues  
9 around -- various issues around distributed generation  
10 and, more recently, looking at opportunities for grid  
11 flexibility, enhancement of grid flexibility for  
12 integration of energy efficiency, renewables, everything  
13 that is encompassed by, you know, what we refer to as a  
14 smart grid.

15 I think, you know, not only in the university  
16 setting but also, you know, as a pilot for the world at  
17 large, or as a, you know, petri dish for the world at  
18 large there's lot to be learned there and from your  
19 efforts.

20 It's big enough where it's relevant, but it's  
21 also manageable within the university context. I think  
22 it's unique to find a place where that is happening so  
23 enthusiastically, which is fantastic.

24 So I really look forward to our interaction  
25 around this contract and, more broadly, to sort of

1 document, analyze, and learn from, really, the whole  
2 ecosystem of activity you've got there.

3 I'm really most impressed with the ability of --  
4 I mean, you've got access to a great student pool, you  
5 know, a bunch of unique buildings. You've got a bunch  
6 of, you know, demand response and energy efficiencies  
7 there, and so there's lots of opportunities there that  
8 who knows what good can come out of it.

9 We know what ought to come out of it and we're  
10 confident that it will; but, you know, I believe it  
11 could go in directions that we actually really don't  
12 know right now.

13 And I think that's part of -- it's really an  
14 ideal situation where we have sort of a learning  
15 laboratory there that the state is really going to  
16 benefit from.

17 So I appreciate your coming out, and I'm in  
18 support of this grant.

19 COMMISSIONER DOUGLAS: You know, I'll just add  
20 I'm very supportive of this as well. It's really great  
21 pioneering work, and we definitely want to see and  
22 really hope to see a lot of far reaching benefits out of  
23 it.

24 So, with that, I'll move approval of Item 5.

25 COMMISSIONER PETERMAN: I'll second.

1 CHAIRPERSON WEISENMILLER: All those in favor?

2 (Ayes.)

3 CHAIRPERSON WEISENMILLER: Item 5 passes  
4 unanimately.

5 Again, thanks for coming up.

6 Okay. Let's go to Item No. 6, which is Redondo  
7 Beach Energy Project, (12-AFC-03).

8 Patricia Kelly.

9 MS. KELLY: Good morning, Commissioner  
10 Weisenmiller -- excuse me. Good morning, Chairman  
11 Weisenmiller and Commissioners. I am Pat Kelly, the  
12 project manager for the Redondo Beach Energy Project.

13 On November 20th, 2012, the California Energy  
14 Commission received an Application for Certification  
15 from AES Southland, LLC to construct, own, and operate  
16 the Redondo Beach Energy Project.

17 The project site is located at 1100 North Harbor  
18 Drive in the City of Redondo Beach. The site for the  
19 proposed project is southeast of and adjacent to North  
20 Harbor Drive and Herondo Street intersections and would  
21 utilize 10.5 acres, in addition to a 2.2 acre existing  
22 switchyard located entirely within the approximately 50  
23 acre footprint of the existing Redondo Beach generating  
24 station.

25 The proposed Redondo Beach Energy Project would

1 be a natural gas-fired, combined-cycle, air-cooled 496  
2 megawatt electrical generating facility that would be  
3 constructed on the site of and eventually replace the  
4 Redondo Beach generating station.

5 This application was reviewed for data adequacy,  
6 and on December 20, 2012, the Energy Commission staff  
7 found the AFC inadequate and adopted a list of  
8 deficiencies in six technical areas: Air quality,  
9 biological resources, cultural resources, traffic and  
10 transportation, transmission system design, and waste  
11 management.

12 Staff recommends the Commission find the project  
13 data inadequate and require the applicant provide  
14 supplemental information for the six technical areas  
15 identified as inadequate.

16 The Energy Commission received two separate data  
17 adequacy comment letters, the first one from the City of  
18 Redondo Beach, the second one from Building a Better  
19 Redondo, "NoPowerPlant.com," a Redondo Beach councilman,  
20 Bill Brand, which identifies technical areas of  
21 concerns.

22 The Energy Commission staff appreciates the  
23 participation of the community and the opportunity to  
24 review the comment letters. The Energy Commission  
25 prepared response letters which are available on the

1 Energy Commission's Project website.

2 The issues raised in both data adequacy comment  
3 letters go beyond the scope of information requirements  
4 needed to meet the data adequacy standards in the Energy  
5 Commission's regulations and will be addressed in  
6 subsequent proceedings as the Energy Commission  
7 considers the AFC.

8 Staff understands that there's a number of  
9 speakers here today, so if the Commission does have data  
10 adequacy questions, staff is available.

11 Thank you.

12 CHAIRPERSON WEISENMILLER: Commissioners, do you  
13 have any questions or comments of staff? Applicant?

14 MR. O'KANE: Thank you for the opportunity to  
15 address the Commission today.

16 My name is Stephen O'Kane, and I am the Vice  
17 President of AES Southland Development. And I have  
18 primary responsibility for preparing our application for  
19 certification to the Commission and shepherding the  
20 review of the -- regulatory review of the Redondo Beach  
21 Energy Project through the CEC's process.

22 AES received the staff assessment of the data  
23 adequacy of our application in late December and have  
24 since been diligently working to address all the  
25 information requested to satisfy the data adequacy

1 requirements of the Energy Commission.

2 We are confident we can address all of the  
3 informational items the staff have identified. I'm very  
4 hopeful we can submit all the required information and  
5 data by the end of January.

6 We look forward to the next step in the Energy  
7 Commission's rigorous and very thorough review process  
8 so we may fully explain and illustrate the many  
9 attributes of the Redondo Beach Energy Project.

10 We believe we have designed and presented a  
11 project that is not only consistent with California's  
12 Clean Energy goals but will be a key part in Southern  
13 California being able to attain those very lofty goals.

14 We have designed the project to balance the  
15 community's concerns with the need for electric  
16 reliability and presented a technological solution that  
17 really sets a new standard for how the (energy industry  
18 views clean, combined-cycled generation.

19 AES is committed to developing a project that  
20 will prove to be of benefit to the City of Redondo  
21 Beach, Southern California, and the entire state in  
22 general.

23 Thank you.

24 CHAIRPERSON WEISENMILLER: Thank you.

25 Commissioners, any questions or comments?

1           Okay. Let's start with Bill Brand.

2           MR. BRAND: Good morning, Commissioners. Thanks  
3 for having us.

4           We're embarking on quite a road here, and there  
5 is a lot of opposition up in Redondo Beach -- down in  
6 Redondo, I should say, to site a new power plant here on  
7 our coast.

8           I do not think it's data adequate. I have  
9 submitted a report. I won't go through all the details  
10 of it. I'll highlight a couple of them.

11           Air quality. The impacts of the terrain  
12 elevations are not examined in the AS application.  
13 There's a huge rise. The homes rise up dramatically,  
14 and according to Clean Air Act and Best Engineering  
15 Practices, the terrain effect should be taken into fact  
16 and AES has not assessed that.

17           As far as noise goes, it's surrounded by a very  
18 densely populated area. AES did analyze in two  
19 directions, but they did not analyze in two other  
20 directions, particularly to the north, which is Hermosa  
21 Beach right across the street where you have the most  
22 densely populated area on the entire California coast at  
23 over 13,000 residents per square mile; so we'd certainly  
24 like to see the measurements for noise in that  
25 direction. And that is not in the report as well.

1 Land use is no longer coastal dependent use, as  
2 you're well aware. This is true of most of the coastal  
3 power plants now that are coming forward to you. This  
4 is not -- they are not using the ocean.

5 In fact, they're using potable water, as much as  
6 -- well, several million gallons. I think it comes up  
7 to 17 million gallons of year of potable water. So they  
8 no longer need the ocean, no longer need to be sited on  
9 the coast.

10 So an alternative site analysis certainly needs  
11 to be more comprehensive than is presented to you in  
12 AES's current application. Alternative sites should  
13 definitely be examined.

14 Probably most important and glaring, I think,  
15 missing piece to that puzzle is the no project  
16 alternative.

17 The PUC Administrative Law Judge Ganson just  
18 last month issued a ruling that the L.A. basin only  
19 needs another 1200 megawatts out to 2021. And given  
20 that, and then Huntington Beach is applying for 900  
21 megawatts, and that these megawatts can be made up  
22 elsewhere, the idea of a no project alternative is  
23 extremely possible.

24 In fact, your own staff has said that, as well  
25 as ISO and others, that the idea of retiring Redondo was

1 extremely possible, if not likely, and still be able to  
2 obtain great reliability.

3           So given the PUC decision's last month, I think  
4 the AES analysis should look much more closer to project  
5 alternative, particularly if there is -- I'm sorry --  
6 the no project alternatives, particularly if there is no  
7 project. The benefits of no project are dramatic. No  
8 power plant, no stacks, no new pollution.

9           There's a lot of misconception that this is  
10 going to be cleaner, but in AES's own application you  
11 see that the particulate emissions are going up as much  
12 as 15 times and at least five times, given their  
13 projected run rates.

14           So even though it's more efficient, their new  
15 projected run rates are going to increase the deadly  
16 particulate emissions dramatically.

17           So, given that, I really think that there's some  
18 inadequacies there.

19           I didn't touch on Measure A. It's an initiative  
20 that's on the ballot on March 5th in Redondo Beach that  
21 is looking to rezone the site and phase out the power  
22 plant. It's a citizen-lead initiative myself and Jim  
23 Light co-authored. And the public is going to be voting  
24 on whether they want to see a new power plant there or  
25 not.

1           Regardless of the results, there's a lot of  
2 misleading information being put out. AES is  
3 campaigning and suggesting many things. That they would  
4 not leave the site if they were not given new license.  
5 They've funded mail that suggested there's going to be a  
6 lawsuit if they are not given a license. So there's a  
7 lot of misinformation out there.

8           So regardless of the results of Measure A on  
9 March 5th, it's clear to -- the community, every council  
10 member, the mayor, have all said they do not want a new  
11 power plant here.

12           So we'll wait and see. I think ultimately you  
13 should probably put off data adequacy until after that.  
14 I think you'll have a lot more information after March  
15 5th.

16           So, anyway, I just want to thank you and thank  
17 the staff. They've all been so very helpful.

18           Jennifer, I hate to see her go already. She's  
19 been so helpful. I am looking forward to working with  
20 whoever -- I just met him. I apologize.

21           Anyway, congratulations to you, Carla, in your  
22 position at PUC.

23           Thank you very much. I hope we'll have several  
24 meetings down in Redondo.

25           CHAIRPERSON WEISENMILLER: Again, thank you for

1 coming today. And I'd also like to thank you for  
2 participating on IEPR last year in our workshop in  
3 Southern California. I should note that that was a  
4 Draft PUC decision, so who knows the final; but, you  
5 know, that's certainly what the draft says.

6 MR. BRAND: That was a great workshop, and I  
7 appreciate you having that in Los Angeles. Thank you.

8 CHAIRPERSON WEISENMILLER: We're probably going  
9 to have another -- as you know, San Onofre issues are  
10 still there. We're probably going to have another  
11 workshop in Los Angeles to deal with that, you know, in  
12 terms of what might happen if we have to replace the  
13 unit. But, again, that will probably be in the  
14 summertime. So just a heads up that's coming.

15 MR. BRAND: Yeah. I did not mention the power  
16 lines. There is a very good possibility that the power  
17 corridor could be retired if the plant is permanently  
18 retired, and that stretches about five miles of the 405  
19 freeway, and that would require a CAISO study, which  
20 Senator Lieu has identified and probably will be  
21 requesting very soon, because that is a big deal if the  
22 plant is permanently retired.

23 Thank you.

24 CHAIRPERSON WEISENMILLER: Right. Thank you,  
25 again.

1           Matt Kilroy, also one of the council members  
2           MR. KILROY: Good morning, and thank you for  
3 having us here.

4           I do agree with a lot of what Council Member  
5 Brand said. I wanted to touch on a few other issues  
6 with regards to the data adequacy.

7           I want to thank CEC staff for going through it,  
8 and we agree with a lot of what they have come up with  
9 regards to data inadequacy. There's a few items that  
10 they feel could be put off until the regular -- we get  
11 into the public hearing phase of it.

12           We would prefer that all that information be  
13 made available as quickly as possible so that the public  
14 and stakeholders have an opportunity to vet that  
15 information out, analyze it themselves, rebut it if  
16 necessary, and then wait for the actual permitting  
17 process.

18           In the middle of the permitting process, we'll  
19 kind of deny the citizens and the residents and the City  
20 an opportunity as much time as they'd like to have to be  
21 able to review that.

22           Specifically as an example, the seismic issues  
23 with regard to the plant are not really addressed in the  
24 permit, and we would like the Commission and the staff  
25 to view the regulations as liberally as possible to

1 include as much information as possible with regards to  
2 the application.

3           There was major damage done in 1994 from the  
4 Northridge earthquake. If you're not aware, Northridge  
5 is about 35 miles north of Redondo Beach, and so it  
6 still has a tremendous amount of impact in Redondo Beach  
7 liquefaction.

8           The site is an old salt marsh that used to be a  
9 major place for Indians to gather and actually gather  
10 salt there. So liquefaction is a major concern.

11           Other concerns with regards to seismic activity,  
12 the Newport/Inglewood fault line is within five miles of  
13 that site. That was responsible for, I believe, the  
14 1933 Long Beach quake that was over a 6.0 magnitude.

15           So you have major fault lines coming very  
16 closely to that power plant that are going to impact not  
17 only the power plant but the utilities serving that  
18 plant.

19           An example would be the San Bruno gas line  
20 eruption. And you can imagine the gas line that feeds  
21 that power plant severing in a major earthquake. And as  
22 Council Member Brand noted how densely populated an area  
23 it is, what the effects of that might be.

24           So we really encourage that those specific  
25 aspects of the plant be analyzed and provided as part of

1 the submittal.

2 Another example is the environmental conditions  
3 of the plant. The plant right now in terms of the DTSC  
4 is an active cleanup site. There is known contamination  
5 of metals, of BOCs, of other toxics.

6 The submittal raises as many questions as it  
7 answers with regards to the spread, the concentration,  
8 and what the effects of disturbing those contaminated  
9 soils will be.

10 And, of course, in a construction process and  
11 demolition process, all that will be disturbed,  
12 potentially emitting toxic BOCs up into the air,  
13 potentially causing more groundwater contamination, dust  
14 that might be contaminated with heavy metal.

15 So there's a lot of issues with regards to the  
16 environmental condition of the site, and we would like  
17 and ask that an up-to-date analysis be done with regards  
18 to contamination of the site, along with what are the  
19 plans for cleaning it up.

20 We really feel that the cleanup should happen  
21 before any construction takes place because construction  
22 is going to exacerbate any pollution problems at that  
23 site. And we feel that should all be part -- up front  
24 part of the permitting process, not dealt with somewhere  
25 down the road.

1           In conclusion, I do agree that much of what  
2 Council Member Brand said with regard to the citizens'  
3 view of a new power plant, the council members' view --  
4 myself included -- we prefer not to have a power plant.

5           We do believe, though, that you are the body to  
6 address that situation and make that conclusion and look  
7 at the overall needs of the South Bay Area.

8           I would just say that if in the final analysis  
9 this plant is not needed for grid reliability, is not  
10 needed to maintain our electrical balance and grid  
11 structure, I can say pretty competently that not only  
12 the Council but the citizens of Redondo Beach would  
13 prefer not to have a power plant there.

14           Thank you.

15           CHAIRPERSON WEISENMILLER: Again, thank you very  
16 much for coming up and for presenting your views here.

17           I would note on the seismic issues that in --  
18 not this current IEPR but in the last IEPR, we had a  
19 workshop that went for half a day on seismic issues  
20 associated with nuclear plants, both Diablo Canyon and  
21 San Onofre; so there's a lot in that record.

22           Again, I would anticipate in this IEPR when we  
23 go through the nuclear data that we will certainly  
24 revisit the seismic issues, particularly what  
25 information is being developed.

1           So, again, along with this proceeding, certainly  
2 we would welcome your participation in that workshop, or  
3 at least it would give you an opportunity to at least  
4 listen to that.

5           I believe we have another representative of the  
6 City. Jon Welner.

7           MR. WELNER: Good morning. My name is Jon  
8 Welner with the law firm of Jeffer, Mangels, Butler and  
9 Mitchell. We are outside counsel to the City on this  
10 matter.

11           I'd like to start by thanking the Commission for  
12 the opportunity to comment on data adequacy, both in  
13 writing and at this hearing, and also to thank the staff  
14 for the extraordinary job that they did in going through  
15 a very voluminous application very systematically and  
16 identifying areas -- data gaps that need to be completed  
17 before the application can be considered complete.

18           And for the record, I would add that the City  
19 agrees with all of those findings that the staff has  
20 made in terms of identifying data gaps.

21           However, the City has also conducted an  
22 exhaustive look at the application and submitted its  
23 written comments, a number of additional gaps that we  
24 think need the Commission needs to view seriously before  
25 finding the application complete.

1           And so the urge is today, or whenever the  
2 Commission makes a decision about data adequacy, if the  
3 decision is that the application is inadequate, that it  
4 not just adopt the items identified by staff but that it  
5 seriously consider adopting some of the items that were  
6 listed by the City in its written comments.

7           The reason for that, of course, is that once the  
8 application is deemed complete, the clock starts to run  
9 in terms of the time the Commission is supposed to look  
10 at it.

11           And while it is true that, as staff say, there  
12 are opportunities to research issues and ask for more  
13 data in the course of the year, as I go through these --  
14 I'm going to go through four principal areas that we  
15 want you to consider.

16           I'd like to explain why we think it's important  
17 for these issues to be addressed before the clock starts  
18 running and before the application is considered  
19 complete.

20           So, the first of these areas is highlighted at  
21 the very beginning of our comments. And that is the  
22 lack of inclusion of any alternatives in terms of site  
23 location and the lack of a no project alternative which  
24 Council Member Bill Brand was alluding to.

25           This is really, in our view, a very

1 black-and-white issue. Appendix B of your siting  
2 regulations provides that the application must include a  
3 discussion of the range of reasonable alternatives to  
4 the project, or to the location of the project,  
5 including the no project alternative.

6 In its application with regard to this issue,  
7 the applicant simply says, without any explanation, that  
8 a discussion of site alternatives is not included in  
9 this AFC.

10 In our view, this is just as black and white a  
11 gap as the others that have been identified by staff.  
12 And, in fact, it's one that has probably the most  
13 significance because, first of all, identifying and  
14 analyzing alternative sites, or the possibility of a no  
15 project alternative is time consuming. And it should be  
16 something that should be done before the application is  
17 considered complete and the clock starts to run at the  
18 Commission.

19 Secondly, there are aspects of this project  
20 that, really, it behooves the Commission and the public  
21 to consider both alternative locations and the no  
22 project alternative, particularly -- and this is kind of  
23 an interesting way this has evolved.

24 The reason for this application is because the  
25 State Water Resources Control Board has issued a rule

1 that over time is going to eliminate once-through  
2 cooling from using ocean water.

3           The reason this plant was sited where it is, is  
4 because it's near the ocean and uses ocean water. What  
5 they're proposing now -- what the applicant is proposing  
6 is an entirely new plant on a much smaller footprint  
7 that no longer needs ocean water, so it only makes sense  
8 that alternative locations other than a coastal site  
9 right in the middle of the commercial center of a  
10 coastal city be at least considered as part of the  
11 application.

12           And so, for that reason, we really urge you to  
13 require the applicant, before you find the application  
14 complete, to require them to at least review alternative  
15 sites, provide an analysis for those, and provide a real  
16 analysis -- not just a one sentence throwaway but a real  
17 analysis of what it would mean if their no project  
18 alternative were adopted and this particular plant were  
19 not built.

20           So that's the issues with regard to alternative  
21 locations.

22           I would also say another important piece of that  
23 is that, as you well know, this process by the  
24 Commission is intended to be the functional equivalent  
25 of CEQA, and CEQA -- the heart of CEQA is the

1 alternatives analysis. The heart of every CEQA  
2 environmental impact study is the selection of  
3 reasonable alternatives and the comparison of those  
4 alternatives.

5 If that's not included in this application, it  
6 makes it vulnerable to attack on those grounds after the  
7 Commission has completed its work. None of us want  
8 that. We want this to be a complete and thorough  
9 application. So, we urge you to add that to the items  
10 that staff has listed as being data gaps.

11 The second issue is land use. And this was not  
12 one that was selected by staff as a technical area, but  
13 we think it's important because of the March 5th  
14 initiative that Council Member Brand was alluding to.

15 This initiative, if it passes, will entirely  
16 change the zoning of the site to a coastal preserve as  
17 of 2020. It's a radical change in venues.

18 We don't think that it is possible for AES's  
19 application, or for the Commission, to fully analyze or  
20 understand what the land issues are until we know what  
21 the outcome of the March 5th initiative is.

22 If the initiative fails and the site continues  
23 to be zoned as it is now, that's a completely different  
24 land use situation.

25 CHAIRPERSON WEISENMILLER: Actually, you've

1 supplied written detailed comments. You don't need to  
2 repeat those. The parties are generally limited to  
3 three minutes, but obviously to the extent the council  
4 members are representing the City, we've provided you  
5 some --

6 MR. WELNER: Thank you.

7 CHAIRPERSON WEISENMILLER: -- leeway, but please  
8 don't read your comments.

9 MR. WELNER: I'll move quickly.

10 COMMISSIONER DOUGLAS: You know, I've got your  
11 comments open here, and I've been reading along with you  
12 as you've been speaking. I think it would be great if  
13 you could address us at a more summary level. We've all  
14 got it right here in our folders.

15 MR. WELNER: Absolutely.

16 So, my only purpose is to highlight these four  
17 key issues, and I'll wrap up.

18 The other two that we really think are  
19 significant are the socioeconomic areas where the issue  
20 of tourism was not addressed at all. And with air  
21 quality, the issues of local area impacts, as opposed to  
22 basin wide or district impacts that the air district is  
23 focused on.

24 I would note that today, actually, I noticed is  
25 a "No Burn Alert Day" in the City of Redondo Beach due

1 to particulate pollution, and that's the kind of local  
2 impact of the facility that is not in the air analysis  
3 that they've provided.

4 So, in conclusion, our hope is that you will add  
5 these items to a finding of inadequacy and require them  
6 to be looked at before the application is complete.

7 Thank you very much.

8 CHAIRPERSON WEISENMILLER: Thank you.

9 Let's go to Mohsen Nazemi from South Coast.

10 MR. NAZEMI: Good morning, Chairman Weisenmiller  
11 and Commissioners Douglas, Peterman, and McAllister. My  
12 name is Moshen Nazemi. I'm Deputy Executive Officer for  
13 Engineering and Compliance Office of the South Coast Air  
14 Quality Management.

15 My responsibility is permitting and enforcement  
16 for all 27,000-plus stationary sources in the South  
17 Coast AQMD District.

18 The reason I just wanted to read the address  
19 here is that I didn't hear as part of the staff  
20 presentation that the District is also a permitting  
21 agency for this power plant project because we are the  
22 administrating agency for the federal operating permit,  
23 or Title 5 permit program.

24 And in order for the AES Redondo Beach Energy  
25 Project to initiate construction, they have to not only

1 obtain license from the Energy Commission but also a  
2 Title 5 permit to construct from the District.

3 And as part of our cooperation with the Energy  
4 Commission staff, we provide a preliminary and a final  
5 determination of compliance so that staff can complete  
6 their analysis and make recommendation to the  
7 Commissioners. And in order to do that, we need to have  
8 the necessary information to do the air quality  
9 analysis.

10 As of December 21st of last year, we issued a  
11 letter to the AES Southland indicating that the  
12 application that they have filed -- the Title 5  
13 application that they have filed with the District is  
14 incomplete.

15 And the areas that we identified are related to  
16 the emissions guarantees, the air pollution control  
17 equipment specifications, some of the health risk  
18 assessment and modeling issues, and BAC, best available  
19 control technology, for greenhouse gases.

20 And I just want to point that out as part of  
21 this process that they also need to have a complete  
22 application in order for our staff to be able to provide  
23 the preliminary determination of compliance. And I'm  
24 sure we will keep in touch with your staff to let you  
25 know when we have a complete application.

1 Thank you.

2 CHAIRPERSON WEISENMILLER: Thank you for coming  
3 up and giving that presentation.

4 At this point we're going to transition from  
5 public officials to private citizens, so we're going to  
6 be asking you to keep your comments to three minutes.

7 And the first person is No Power Plant  
8 representative Lori Zaremski.

9 MS. ZAREMSKI: Good morning. Thank you for all  
10 of your dedication and hard work. I am so impressed  
11 already listening to you this morning. I appreciate the  
12 chance to speak.

13 My name is Dr. Lori Zaremski. I'm a Redondo  
14 Beach resident, educational psychologist, member of  
15 "NoPowerPlant.com," and supporter of Measure A. This  
16 morning I woke up and drove my Leaf to LAX, where I  
17 plugged it in. Thank you.

18 I am here to urge you strongly to require that  
19 you have adequate information from AES. Clearly the  
20 information is totally inadequate.

21 Quite frankly, I am shocked. My high school  
22 student knows enough not to turn in an incomplete paper,  
23 and yet this major, multi-billion dollar corporation  
24 with all of their resources cleverly chooses to omit so  
25 much information.

1 I am not a scientist. I took the day off,  
2 rescheduled all of my patients, and paid for the airline  
3 ticket on my own to come up here so that you can see how  
4 important this is to us.

5 Right now, AES has been spending a lot of money  
6 to spread propaganda. They are threatening to sue our  
7 city. They are using fear mongering to scare our  
8 residents to keep us from participating in the  
9 democratic process.

10 I cannot understand and can only view with great  
11 suspicion -- given that I am a psychologist -- the gaps  
12 in information that seem to be purposefully presented to  
13 you in their rush to gain a permit.

14 We live in a very densely populated area. I  
15 want to make sure that you are aware that there are 11  
16 schools with 6,000 students near that site, 20 churches,  
17 14 recreational facilities, senior housing on the very  
18 border of the plant with over a thousand units. It is a  
19 historical California state landmark.

20 There is a species that is at risk, an owl, that  
21 is known to be living there.

22 I urge you, please, demand that they provide  
23 adequate information, and wait for our vote in March.

24 Thank you.

25 CHAIRPERSON WEISENMILLER: Thank you for coming

1 up.

2 Next representative is Dawn -- excuse me -- Dawn  
3 Esser?

4 MS. ESSER: You did say it correctly. It's Dawn  
5 Esser.

6 I am a long-term Redondo Beach resident. I've  
7 lived in Redondo Beach for 23 years. I am the president  
8 of "NoPowerPlant.com." And please bear with me. This  
9 is the first time I have ever addressed a State  
10 commission before.

11 So I took my -- I took the day off and paid for  
12 my flight to fly up here from our lovely Redondo Beach  
13 to represent the thousands of citizens or residents in  
14 Redondo Beach that oppose the new power plant.

15 No Power Plant is a Political Action Committee  
16 that was formed by the residents, is funded solely by  
17 resident donations, and we are all volunteers.

18 Over a hundred of us took five weeks of our  
19 summer to go out and obtain over 9,500 signatures, of  
20 which close to 7500 were validated Redondo resident  
21 voters, more than enough to get this measure on the  
22 ballot for vote in March.

23 I'm very proud of them, very proud of all of our  
24 volunteers. We are now canvassing, out walking and  
25 talking with the residents about Measure A.

1 I would say a huge, huge and large majority of  
2 these residents do not want a new power plant on this  
3 site. They will vote yes for Measure A.

4 Of the people who are undecided and of the  
5 people who are thinking we need a power plant, they are  
6 mistaken that we need the power. And as Bill Brand has  
7 said, that the recent PUC ruling has said, that the  
8 requirements now until 2021 clearly shows that this  
9 plant is not needed.

10 AES, like Lori has said, like Bill has said, is  
11 spending hundreds of thousands of dollars to try to  
12 defeat our Measure A. They have paid residents to be  
13 lobbyists out to our residents to lobby against Measure  
14 A.

15 They even have hired one of our Planning  
16 Commissioners, Mark Mitchell, to be out there fear  
17 mongering residents to oppose Measure A.

18 AES claims that this power plant will be  
19 cleaner, which obviously their application to you states  
20 the opposite. It will increase by 500 to 1500 percent  
21 those dangerous particulate matter pollutants.

22 Anyway, I just thank you for letting me speak,  
23 and I look forward to working with Kelly Lee and --  
24 Ms. Kelly and having, you know, meetings down in Redondo  
25 so that all of our residents can come and address the

1 Commission.

2 Thank you so much.

3 CHAIRPERSON WEISENMILLER: Thank you. Thank you  
4 for being here today, and thanks for your presentation.

5 We have, I believe, on the line Melanie Cohen.

6 MS. MELANIE COHEN: Good morning.

7 CHAIRPERSON WEISENMILLER: Good morning.

8 MS. COHEN: Hi. How are you?

9 I just want to say thank you for giving us the  
10 opportunity to address you this morning. And I want to  
11 echo what Dawn and Dr. Lori and Bill Brand have also  
12 said today, but I come from a different bent.

13 I'm the President of the South Bay Park Land  
14 Conservancy, and we're dedicated to the restoration,  
15 preservation, and public use of coastal land resources.

16 And based upon the Building a Better Redondo AES  
17 Adequacy Assessment that you do have in front of you, we  
18 just want to -- I just want to remind you of the density  
19 of the folks surrounding this plant.

20 We are not against power. We think it's a  
21 fabulous thing. We wouldn't -- and none of us would be  
22 here without it. As Dr. Lori also brought forth, her  
23 Leaf and, also, another one of our members and lots of  
24 us who use electric cars and look forward to electric  
25 cars.

1           However, the issue here is lack of open space  
2 and lack of healthful open space. And where Redondo  
3 Beach is, there's just less than 2.45 acres of open  
4 space per thousand residents, well below the threshold  
5 of other places. In the United States alone there's  
6 12.9 acres per thousand people.

7           The local citizens of Redondo Beach care about  
8 future plans for the plant. And as Dawn brought up, we  
9 collected 7500 registered voter signatures to put  
10 Measure A on the ballot, which calls for 30 to  
11 40 percent appropriate harbor businesses, with 60 to  
12 70 percent open space.

13           And with all due respect to both the CEC and AES  
14 Corporation, SBPC members understand the criticality of  
15 power generation. However, three brand new power plants  
16 coming on line this year in the basin, the greater good  
17 would be served without the Redondo Beach Power Plant.  
18 And the AES submission, again, does not evaluate a no  
19 power plant alternative.

20           And we humbly request that the CEC honor the  
21 will of the residents and voters of Redondo Beach,  
22 evaluate a no power plant in Redondo Beach scenario, and  
23 ultimately deny a new license to AES.

24           This land would serve the greatest public good  
25 as open space and compatible businesses that serve the

1 local residents and the tourist industry.

2 Thanks so much for letting me speak this  
3 morning. I really appreciate it.

4 CHAIRPERSON WEISENMILLER: Again, thank you for  
5 your participation.

6 Is anyone else on the line?

7 Staff, do you have any response or comments?  
8 Again, very briefly.

9 MS. KELLY: Yes, Commissioner. Thank you.

10 Staff -- you know, we're recommending the  
11 project is data inadequate, and so the issues that have  
12 been brought up here today will, of course, be reviewed  
13 with staff through the data request, data review, and  
14 the analysis for the project itself.

15 CHAIRPERSON WEISENMILLER: Thank you.  
16 Commissioners, any questions or comments?

17 COMMISSIONER DOUGLAS: One question. I am  
18 looking at the staff recommendation, and I want to note,  
19 first of all, that I appreciate you calling out that you  
20 would work with the City, you know, once this --  
21 presuming that this application becomes data adequate at  
22 some point, that you would work with them immediately to  
23 provide data requests on the items that you have called  
24 out as not falling within the data adequacy regulation.

25 I think it would be helpful to the Commission to

1 hear briefly why you think some of the items raised by  
2 the City are not within the purview of the data adequacy  
3 regulation.

4 MS. KELLY: Review by staff in the particular  
5 -- each technical area, staff determined that as far as  
6 data adequacy those -- except for those six technical  
7 areas we identified, those other areas were data  
8 adequate at this time.

9 Again, staff feels that the questions that have  
10 been brought up by the City of Redondo Beach in their  
11 letter, as well as the other letters that I mentioned,  
12 from the "NoPowerPlant.com" and the Build a Better  
13 Redondo, those were all issues that were brought up that  
14 will be reviewed and an analysis -- a complete analysis  
15 will be done during the analysis review or discovery  
16 period. So...

17 COMMISSIONER DOUGLAS: Okay. I mean, the issues  
18 raised by the City are certainly issues that we  
19 encounter regularly within the process of the  
20 Commission, and that we, to my knowledge, have never  
21 made data adequacy requirements; you know, asked for  
22 detailed information on the data adequacy stage. I was  
23 just hoping to hear from you in some level of detail on  
24 that question. So, thanks for your response.

25 I think that's my only question right now.

1           CHAIRPERSON WEISENMILLER: I'm just going to  
2 make an observation. Obviously, we're not -- well, we  
3 have a ruling, but it doesn't look like we're going to  
4 start the journey today on what's a long case.

5           I would point out that, you know, later on today  
6 as the state's representative, the NRC, have been very  
7 active in San Onofre issues, and certainly that has  
8 implications. And, you know, one of the things, you  
9 know, we were struggling with a lot is what's going on  
10 at the NRC.

11           We really want to make sure the plant is safe  
12 before it comes back on line. And we're very clear to  
13 the NRC that we would do whatever it takes to keep the  
14 lights on in Southern California, and then they have to  
15 do their job of making sure it's safe before it's  
16 brought back.

17           Certainly that led to a push to do the  
18 synchronous condensers at, you know, Huntington Beach.  
19 And in that context we're still struggling on that. And  
20 certainly we -- based upon an Energy Commission request,  
21 the ISO has just done preliminary analysis of what would  
22 happen in Southern California -- or what would happen in  
23 California if none of the nuclear power plants were  
24 operating.

25           And certainly in Southern California that -- if

1 we get to that outcome, that has major implications.  
2 And certainly that's a draft study that the ISO board  
3 was briefed on, I'm going to say, mid-December. It  
4 should be finalized by the end of the month.

5 But certainly that picture -- and the PUC  
6 decision, the draft decision, certainly did not consider  
7 any of the San Onofre issues. So in terms of the  
8 elephant in the room and for many respects for us in  
9 Southern California, is San Onofre. And just as we go  
10 forward, you need to be looking at those issues, too, or  
11 following those.

12 So that with, I think we have --

13 COMMISSIONER PETERMAN: I'll just comment and  
14 say thank you, Ms. Kelly, and Commissioner Douglas for  
15 the clarification regarding some of the issues that were  
16 brought up today, and that there is a forum for  
17 addressing them later in the proceeding if it does  
18 advance.

19 And, also, I just wanted to say welcome to the  
20 members of the public who came here to speak today.  
21 Thank you for taking the time out of your schedules to  
22 be with us here.

23 And in the future, if your schedule does not  
24 permit, don't hesitate to call in. That's the advantage  
25 of the WebEx. And we to do take those comments, whether

1 over a phone or in person, very seriously.

2 CHAIRPERSON WEISENMILLER: Well, the first issue  
3 we have is whether we, in consideration of -- the  
4 Commission has to consider is the Executive Director's  
5 recommendation.

6 Is there a motion on that, that this is  
7 inadequate?

8 COMMISSIONER DOUGLAS: I move approval of the  
9 Executive Director's recommendation that this  
10 application is data inadequate.

11 COMMISSIONER PETERMAN: I'll second.

12 CHAIRPERSON WEISENMILLER: All those in favor?

13 (Ayes.)

14 CHAIRPERSON WEISENMILLER: This item passed  
15 unanimously, so obviously we don't have to deal with  
16 Item (b).

17 Again, thanks for your participation.

18 Let's go on to Item 7. Avenal Energy Center  
19 (08-AFC-IC). And this is possible approval of a  
20 petition to amend.

21 Camille Remy Obad, please.

22 MS. OBAD: Hello, Chairman and Commissioners.

23 My name is Camille Remy Obad, and I am the  
24 Compliance Project Manager for the Avenal Energy  
25 Project.

1           In attendance with me today to assist with  
2 questions you may have is our legal staff, Lisa DeCarlo,  
3 as well as technical staff and representatives for the  
4 project applicant.

5           A little background on the project and the  
6 amendment, proposed amendment.

7           The proposed Avenal Energy Project would be a  
8 600-megawatt, combined-cycle natural gas facility  
9 located in the City of Avenal in Kings County.

10          The Energy Commission certified the Avenal  
11 Energy Project on December 16th, 2009. Avenal Power  
12 Center, LLC filed a petition to amend on March 5th,  
13 2012.

14          The Energy Commission staff docketed and posted  
15 the petition to the website on May 11th, 2012.

16          Staff analysis was docketed and placed on the  
17 Web November 20th, 2012, and the public comment period  
18 for this amendment ended December 28 of last year.

19          The proposed amendments to Avenal's existing  
20 licensing includes, first, adding one new air quality  
21 condition of certification -- it is AQSC-12 -- that  
22 allows Avenal to operate as they are presently certified  
23 as a major source of criteria air pollutant emissions,  
24 or, as amended, a minor source of criteria air pollutant  
25 emissions.

1           Other parts of the amendment include modifying  
2 the air quality conditions and certification, AQ-6 and  
3 AQ-71, which is related to reissued emission reduction  
4 credit certificate numbers.

5           Also modifying AQ-110 and AQ-111 to comply with  
6 new compression ignition source -- new source  
7 performance standards.

8           And, also, updating equipment descriptions in  
9 AQ-122 so that the equipment analyzed by staff conforms  
10 with the analysis in the decision.

11           The initial petition also proposed a  
12 construction deadline extension. Staff and the project  
13 proponent agreed that the extension request was  
14 premature and agreed to revisit the issues closer to the  
15 current construction commencement deadline of  
16 December 16th, 2014.

17           As I mentioned, the Energy Commission approved  
18 the project in December of 2009, and the U.S. EPA issued  
19 that their final prevention of significant deterioration  
20 or PSD permit on May of 2011.

21           Several parties petitioned the U.S. EPA  
22 Environmental Appeals Board for review of the PSD  
23 permit. The Environmental Appeals Board upheld the  
24 permit, but these parties have subsequently appealed to  
25 the Ninth Circuit Court of Appeals.

1           Due to uncertainties in the outcome and duration  
2 of the appeals process, Avenal Power Center, LLC filed  
3 this petition in May of 2012.

4           The proposed operational changes in the  
5 amendment would decrease presently certified air quality  
6 emissions, thus qualifying Avenal Energy Project as a  
7 minor stationary source for criteria pollutants, with  
8 fewer emissions than previously analyzed and approved in  
9 the 2009 decision.

10          The petition meets all post-certification filing  
11 criteria and does not change the findings in the Energy  
12 Commission's final decision.

13          The proposed decisions were based on information  
14 that was not available prior to the 2009 certification.

15          The proposed amendment provides beneficial  
16 operating flexibility by allowing the Avenal Energy  
17 Project to reduce their presently certified annual  
18 emissions to levels qualifying them as a minor source  
19 for criteria air pollutant emissions.

20          One comment was received on December 28th by the  
21 Center for Race, Poverty and the Environment, also CRPE.  
22 CRPE cited concerns about disproportionate air impacts  
23 on low income and minority populations, and the validity  
24 and enforceability of air emissions modeling and  
25 monitoring.

1 CRPE also requested a comment period extension  
2 to allow greater participation due to the holidays.

3 Staff docketed and posted a response to the Web  
4 on January 4th of this year, and Avenal Power, LLC also  
5 posted a response on January 7th.

6 Staff has independently analyzed the petition,  
7 including the sufficiency of the San Joaquin Valley Air  
8 Pollution Control District's analysis for the minor  
9 source amendment.

10 Staff has proposed compliance provisions to  
11 ensure that the air quality impacts are fully mitigated  
12 and finds that the project as amended would comply with  
13 all applicable laws, ordinances, regulations and  
14 standards.

15 Therefore, staff recommends the Commission's  
16 approval of the Avenal Energy Center's proposed  
17 modifications.

18 Thank you.

19 CHAIRPERSON WEISENMILLER: Thank you.

20 Jane Luckhardt?

21 MS. LUCKHARDT: Yes. Jane Luckhardt from Downey  
22 Brand on behalf of Avenal Power Center. And here with  
23 me today is Gary Rubenstein from Sierra Research.

24 We support the nice summary that Ms. Obad just  
25 provided to you. We support the amendment, and we agree

1 with the conclusions that staff has reached.

2 We provided a response to the comments of the  
3 Center on Race, Poverty and the Environment earlier this  
4 week, and so I don't feel the need to repeat those to  
5 you today.

6 We are up here to answer your questions or  
7 respond to any additional comments that the Center may  
8 have on this petition.

9 CHAIRPERSON WEISENMILLER: Thank you. I think  
10 the Center's on the line. Ingrid Brostrom?

11 MS. BROSTROM: Yes. Hi. This is Ingrid  
12 Brostrom. I am with the Centers for Race, Poverty and  
13 the Environment, and I appreciate the opportunity to  
14 provide additional comments, and also to respond to the  
15 letters we received from the CEC and the applicant.

16 We agree predominantly with the staff analysis  
17 they just presented to you; however, I would like to  
18 make one additional point, in that EPA when assessing  
19 the PSD requirement exempted Avenal Energy from  
20 complying with the new nitrogen dioxide federal air  
21 quality standards. So that is the basis of the lawsuit.

22 So our concern with this proposed amendment is  
23 actually the nitrogen dioxide impacts that really have  
24 never been analyzed, both because they've been exempted  
25 from the PSD permit process and we don't believe that

1 the CEC staff report addressed a lot of the issues that  
2 EPA identified with the air district's nitrogen dioxide  
3 impacts.

4 So there's a couple of specific issues that we  
5 would like the CEC to address before modifying the  
6 permit. And these include establishing the background  
7 NO2 levels around the project site.

8 Right now, the analysis relies on the current  
9 monitoring stations in Hanford and Visalia. However,  
10 the EPA has identified issues with those monitoring  
11 sites as perhaps not being representative of NO2 levels  
12 around Kettleman City, as well as areas closer to the  
13 project site.

14 That was one of the primary issues that Avenal  
15 had with not being able to fulfill EPA requirements. So  
16 the air district did not resolve these underlying issues  
17 about whether or not Hanford and Visalia did an adequate  
18 job presenting background NO2 levels.

19 The basis of our concern is that the current  
20 monitoring stations in the system are not adjacent to  
21 major roadways which are known to be the dominant NO2  
22 force for California.

23 You know, I predominantly work with Kettleman  
24 City residents, and so I'm concerned with Kettleman City  
25 which sits adjacent to I-5, and the EPA estimates that

1 NO2 levels near roadways such as I-5, are estimated to  
2 be thirty to a hundred times higher than those measured  
3 at the current monitoring stations in California such as  
4 in Hanford and Visalia.

5 So we're very concerned that there's been no  
6 documentation about whether or not those background  
7 levels at parts of I-5 are adequately reflected with  
8 Hanford and Visalia data.

9 Secondly, the emissions that the air district  
10 did monitor are so close to health protective thresholds  
11 that they don't provide adequate assurance that they  
12 will be met.

13 In fact, when the air district did its analysis,  
14 the first two tiers of its analysis showed that the  
15 project would cause cumulative NO2 impacts to be above  
16 the standard.

17 And the third tier analysis that it conducted  
18 showed the cumulative impacts to be 99 parts per  
19 billion. And this is out of a hundred part per billion  
20 safety standard.

21 Therefore, if the analysis is even one part per  
22 billion off, we will see health impacts in Kettleman  
23 City.

24 The air district relied on data from 2004 to  
25 2008. We would like to see the updated data to see what

1 the levels are now, as well as a closer look at the  
2 background levels in Kettleman City.

3 And this hundred part per billion safety  
4 standard that was established by the EPA is based on  
5 kind of a recognition by EPA -- a new recognition by EPA  
6 that NO2 levels have impacts at lower levels than  
7 previously thought.

8 And this is particularly true for people that  
9 suffer from asthma, as well as children and other  
10 sensitive populations. Kings County has the second  
11 highest asthma rate in the state.

12 So this is not just a scientific debate. You  
13 know, this is really about human health. That's really  
14 where our concerns are coming from. We can't afford  
15 these razor-thin margins of, you know, whether or not  
16 the project will be at 99 parts per billion instead of a  
17 hundred parts per billion.

18 These margins are so close that they don't  
19 provide us assurances that this project will be  
20 protective of the health of numerous residents.

21 CHAIRPERSON WEISENMILLER: Thank you. I believe  
22 we may have another party on the line again.

23 MR. ANGEL: Yes. Hello. This Bradley Angel.  
24 Can you hear me?

25 CHAIRPERSON WEISENMILLER: Yes.

1           MR. ANGEL: Okay. Great. Again, my name is  
2 Bradley Angel, and I'm the Executive Director of  
3 Greenaction for Health and Environmental Justice.

4           And on behalf of our community members in Avenal  
5 and Kettleman City, we urge the Energy Commission to  
6 reject the request from Avenal Power. And I just wanted  
7 to make a few comments.

8           Number one, we fully endorse the issues raised  
9 by Center on Race, Poverty and the Environment, so I  
10 won't repeat those. A couple of other concerns.

11           Number one, as the company in fact admitted, the  
12 initial approval for this was back in December of 2009,  
13 but a lot has happened since then.

14           Number one, the full extent and ongoing problem  
15 of birth defects, infant deaths, and childhood cancer  
16 continues to plague Kettleman City; and that really  
17 needs to be considered.

18           In fact, it was just very, very recently, a  
19 little over a month ago, that a two-year-old in the town  
20 just died. And, in fact, the State Department of Public  
21 Health has had to agree to continue monitoring the  
22 situation with the birth defects and childhood cancer  
23 because it's a problem.

24           And the last thing, in our opinion, we need --  
25 and I think a lot of other folks in Kettleman City and

1 Avenal need -- is more pollution.

2           Secondly, and very fundamentally -- and, you  
3 know, again, I echo the health concerns that Ingrid  
4 raised and what I just mentioned. However, as this  
5 meeting started today, there was a lot of talk from the  
6 speakers about how wonderful public participation has  
7 been, and the need to allow for participation by  
8 underserved communities. However, that's not happening  
9 today.

10           This hearing is in Sacramento; it's not in  
11 Avenal. It should be. This hearing is in the middle of  
12 the work day when the people most affected cannot  
13 participate. Not only because of the location of the  
14 meeting and the time of the meeting and the language of  
15 the meeting -- English only -- and the language of the  
16 documents -- English only -- but the fact that people in  
17 the community, virtually none of them were notified  
18 about this hearing today. And that is improper.

19           It's particularly improper because the Energy  
20 Commission is well aware not only about, you know, the  
21 lawsuit that's going on regarding the PSD permit but  
22 about the Energy Commission's and other permitting  
23 agencies own defective processes.

24           I was concerned to see when I looked at the  
25 documents for today's hearing that what was

1 conspicuously missing was a November 9th, 2012, letter  
2 that we received from the Department of Energy.

3           And I assume -- I don't know for sure, but I  
4 assume the Energy Commission is well aware that the U.S.  
5 Department of Energy has now accepted for investigation  
6 civil rights complaints raised by Greenaction on behalf  
7 of community members against the California Energy  
8 Commission regarding whether the Energy Commission  
9 discriminated against Avenal and Kettleman City  
10 residents of color and Spanish-speaking residents by  
11 failing to provide meaningful participation in the  
12 permit process for the Avenal Power Plant, failing to  
13 publish notice of public workshops and hearings in  
14 Spanish, holding public workshops and hearings during  
15 the middle of the work day, failing to translate  
16 documents into Spanish; whether the process employed by  
17 the Energy Commission in conducting their review  
18 resulted in a disparate negative impact upon these  
19 residents, etc.

20           This investigation is just starting.

21           In addition, we are currently in federal  
22 mediation with the US. EPA's Office of Civil Rights  
23 regarding our civil rights complaint regarding this very  
24 project against the San Joaquin Valley Air District.  
25 That is still under way.

1           And, as I mentioned, the Department of Energy  
2 investigation of whether or not the Energy Commission  
3 violated civil rights, there's been partial acceptance  
4 of our complaint for investigation. And that is just  
5 about to begin.

6           So it would certainly be premature, at best, to  
7 move forward with additional action on the Avenal Power  
8 Center application.

9           But I also want to state for the record should  
10 further action to move this project forward be taken  
11 today without proper opportunity through public  
12 involvement of the most affected residents, which is  
13 apparently what we've already gotten here today, it very  
14 well will trigger further allegations of civil rights  
15 violations by the California Energy Commission.

16           I would trust that that's something that the  
17 Energy Commission, you know, wouldn't want to happen. I  
18 trust that you take your civil rights commitment  
19 seriously, and we really respectfully ask you not to  
20 repeat the violations that happened a few years ago.

21           However, any action today to approve of this  
22 request by the company without full opportunity -- full  
23 notice to the community and full opportunity for  
24 meaningful participation, I guarantee you will trigger  
25 further challenges, and which won't help the Energy

1 Commission and won't help Avenal Power.

2 CHAIRPERSON WEISENMILLER: Okay. Do you want to  
3 wrap it up?

4 MR. ANGEL: I'll just stop at that. And thank  
5 you for the opportunity to speak.

6 CHAIRPERSON WEISENMILLER: Okay. Thank you. I  
7 would note that we certainly don't stipulate to the  
8 allegations from the Department of Energy.

9 MR. ANGEL: We understand, but the investigation  
10 is just about to begin.

11 CHAIRPERSON WEISENMILLER: That's fine. I just  
12 want to be sure it's on the record you have alleged. We  
13 certainly don't stipulate and certainly won't be  
14 participants in that process.

15 COMMISSIONER DOUGLAS: So let me just ask a  
16 question. I'll just say, first off, I can hear the  
17 public commenters have very strong feelings on this, and  
18 yet at the same time I want to remind everybody that  
19 this is an amendment that we are considering today.  
20 This is not an opportunity to re-litigate issues that  
21 were raised and addressed in the original license  
22 proceeding.

23 So the amendment that we're considering today is  
24 an amendment that would allow a plant that is currently  
25 permitted by the Energy Commission to operate fewer

1 hours and with fewer emissions, and so that is a  
2 reduction of the provisions that are currently  
3 permitted.

4 So I want to say that just as a starting point  
5 for this discussion, but I also -- because process  
6 issues were raised by Mr. Angel, I wanted to ask staff  
7 to talk about and describe the process that you followed  
8 for noticing the public of a proposed amendment.

9 MS. OBAD: Well, in terms of -- the petition was  
10 filed on May 5th of 2012, and we docketed and posted it  
11 on May 11th.

12 The staff analysis was docketed and placed on  
13 the Web on November 20th, 2012, after an extensive  
14 analysis of the San Joaquin Valley Air Pollution  
15 District's permit and decision. And we did post it and  
16 the -- we actually extended the comment period a few  
17 days because of the holidays. And that ended on  
18 December 28th, which is the date that the Center filed  
19 their comments as well.

20 We turned around a response by January 4th.  
21 And, also, the applicant responded on January 7th.

22 COMMISSIONER DOUGLAS: Okay. Thanks for that.  
23 I'll see if others have questions. I may have some  
24 additional questions.

25 I just also want to note on the DOE complaint

1 that Mr. Angel raised, I've got some questions in my own  
2 mind about DOE's jurisdiction and timeliness of the  
3 complaint.

4 It was raised at U.S. EPA. It was dismissed. I  
5 think that's part of the reason why -- you know, at this  
6 point we're talking about a case that was licensed a  
7 number of years ago.

8 So I just wanted to articulate those questions  
9 and not to pursue that any further at this moment. But  
10 with that, let's see if there are other questions.

11 CHAIRPERSON WEISENMILLER: I believe our Chief  
12 Counsel has a comment.

13 MR. LEVY: If you'd like further details on the  
14 complaint at this time, I don't think it's necessary,  
15 but Mr. Ratliff has been in communication with the  
16 Department of Energy.

17 We do have significant questions about whether  
18 they have jurisdiction over it. We have significant  
19 questions about how untimely their initiation of  
20 investigation is. But based on our initial  
21 communications with them, we believe that it will be  
22 shortly dismissed just on the merits of it because we  
23 did comply with all the requirements that we were  
24 required to comply with.

25 If you'd like further information, Mr. Ratliff

1 can address them.

2 COMMISSIONER PETERMAN: I just had a  
3 clarification about the noticing of the amendment. So  
4 you noted information provided on the website. Is there  
5 a mechanism for folks who want to follow this particular  
6 proceeding that they would have been receiving  
7 notification that various documents were posted?

8 MS. OBAD: Yes.

9 COMMISSIONER PETERMAN: Would you explain that  
10 process a bit, please.

11 MS. OBAD: Yes. You can subscribe to the Avenal  
12 site and provide an email address. And with that, there  
13 are notices of all the postings that happen for the  
14 project. So that is one of the ways you can participate  
15 even though you're not in the Sacramento area.

16 COMMISSIONER PETERMAN: Thank you for that  
17 clarification. Some of the comments noted -- oh,  
18 please.

19 MR. ROGER JOHNSON: Can I add to that, please?

20 For each siting case after it goes into  
21 compliance, we take the original mailing list that was  
22 used during the proceeding, and we send out notification  
23 that the project is now going into compliance; and we  
24 ask them if they want to stay on the mailing list for  
25 compliance purposes.

1           So we have an additional snail mail list, if you  
2 would, for those people that request it. In addition to  
3 posting it to the Web, we also send those notifications  
4 out to that mailing list for each notification.

5           As well, we try to -- I can't guarantee for  
6 this; I don't know the exact, but every time we do a  
7 business meeting item for a compliance item, we also  
8 identify that mail list to the secretariat so that when  
9 the business meeting notice goes out that it also goes  
10 out to that compliance mailing list for those people who  
11 requested to be on that mailing list.

12           COMMISSIONER PETERMAN: Thank you.

13           MR. JOHNSON: I apologize for not identifying  
14 myself. Roger Johnson, Deputy Director for Siting.

15           CHAIRPERSON WEISENMILLER: Are there any other  
16 questions or comments?

17           COMMISSIONER DOUGLAS: No. I'll make a motion.  
18 Are we on 6?

19           COMMISSIONER MC ALLISTER: 7.

20           COMMISSIONER DOUGLAS: I just want to underscore  
21 again what we are doing today is not relitigating the  
22 substantive issues that were raised in the Avenal  
23 licensing proceeding. What we're doing today is  
24 considering an amendment that would allow the applicant  
25 to operate the project, fewer hours, and with reduced

1 emissions.

2 So, with that, I'll move approval of Item 7.

3 MR. MC ALLISTER: I'll second.

4 CHAIRPERSON WEISENMILLER: Okay. Motion has  
5 been made and seconded. All in favor?

6 (Ayes.)

7 CHAIRPERSON WEISENMILLER: It was passed  
8 unanimously. Thanks.

9 COMMISSIONER PETERMAN: I will note another  
10 point made by the caller about availability or -- the  
11 ability to accept information we provide for those for  
12 English is not a first language is an important issue.  
13 I know it's an important issue. I know it's something  
14 the Public Adviser had considered, and I just encourage  
15 staff or the Public Adviser and stakeholders how we can  
16 improve it.

17 I think the points are well taken. We do have a  
18 process to involve the public, but I appreciate that it  
19 is not the easiest always for folks to participate.

20 MR. MC ALLISTER: I'll just second that. I  
21 mean, as a native Spanish speaker myself, I'm very  
22 sympathetic to the -- addressing important issues for  
23 people in their lives in their first language.

24 It's a challenge for the Commission, absolutely,  
25 but I would be willing to work with the Public Adviser's

1 Office and staff, you know, on how to possibly make that  
2 happen, or at least look at the options with, perhaps,  
3 legal.

4 CHAIRPERSON WEISENMILLER: Okay. So Item Number  
5 8 has been held, so let's look at Item Number 9, which  
6 is the Palen Solar Electric Generation System Amendment  
7 (09-AFC-7C). Possible appointment of a siting committee  
8 for Palen.

9 Raoul Renaud.

10 MR. RENAUD: Good afternoon, Chair Weisenmiller,  
11 Commissioners.

12 The Commission licensed the Palen Solar Power  
13 Project on December 15th, 2010. The committee at that  
14 time was Chair Weisenmiller as the presiding member and  
15 Commissioner Douglas as the associate member.

16 The current owner, Palen Solar Holdings, has  
17 filed a Petition to Amend dated December 18, 2012. And  
18 under that petition, they seek to change the technology  
19 from trough technology to power tower. And so before  
20 you is simply the appointment of the committee to  
21 oversee the processing of the amendment.

22 CHAIRPERSON WEISENMILLER: Applicant, a few  
23 words? Mr. Galati?

24 MR. GALATI: Happy New Year. Scott Galati  
25 representing Palen Solar Holdings. And congratulations,

1 Commissioner Douglas and Commissioner Peterman.

2 MR. TURLINSKI: I'm Charlie Turlinski from  
3 BrightSource Energy.

4 CHAIRPERSON WEISENMILLER: Welcome.  
5 Commissioners, any questions or comments? Staff? Well,  
6 okay.

7 So I'm going to propose basically retaining the  
8 committee but basically switch roles so that Mr. Douglas  
9 would be the presiding member and I'd be the associate  
10 member. Motion?

11 COMMISSIONER PETERMAN: I will move Item 9.

12 COMMISSIONER MC ALLISTER: I will second it as  
13 the other nonmember of the committee.

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

16 CHAIRPERSON WEISENMILLER: So it's been approved  
17 unanimously. We now have a committee. I'm looking  
18 forward to this case. Thank you.

19 CHAIRPERSON WEISENMILLER: Let's go on to Number  
20 10. Guidelines for Solar Electric Incentive Programs.  
21 Possible approval of proposed revisions to the  
22 *Guidelines for California's Solar Electric Incentive*  
23 *Programs*. And this is James Folkman.

24 MR. FOLKMAN: Good afternoon, Chairman and,  
25 Commissioners. It's good to be here.

1           My name is Jim Folkman, and I'm with the  
2 Renewables Energy Office. And I'm also joined by  
3 Christa Salo.

4           And today's staff seeks approval of revisions to  
5 the guidelines of the California Solar Electric  
6 Incentive Programs which are often referred to as the  
7 Senate Bill 1 Guidelines.

8           Senate Bill 1 directs the Energy Commission to  
9 establish eligibility criteria conditions for receiving  
10 and equipment rating standards for projects applying for  
11 rate-payer funded incentives for solar energy systems.

12           The Energy Commission established its first set  
13 of Senate Bill 1 Guidelines in 2007 and has since  
14 revised the guidelines as necessary to reflect changes  
15 in the law or changes in marketing conditions.

16           The proposed revisions include changes to the  
17 field verification section that allow the program  
18 administrators to select one or two options for  
19 conducting field verification when a field verification  
20 is completed by a program administrator, or the program  
21 administrators designated qualified contractor.

22           The first option requires the completion of  
23 field verification on a sample size of 1 in 7  
24 projects.

25           The second option requires the program

1 administrator, or the program administrator's qualified  
2 contractor, to complete two successful field  
3 verifications on projects completed by a new qualified  
4 contractor prior to implementing a 1 in 12 field  
5 verification sampling.

6 Under Option 2, in addition to the 1 in 12 field  
7 verification sampling, the program administrator, or the  
8 program administrator's qualified contractor, shall  
9 complete field verifications for each and every  
10 self-installed project.

11 Revisions to the performance monitoring and  
12 maintenance sections. Remove the performance metering  
13 summary table and cost caps.

14 For systems using expected performance-based  
15 incentive approach, known as EPBI, the performance  
16 monitoring and the reporting service requirements shall  
17 be determined by the program administrator.

18 Staff also made clarifying revisions to the  
19 criteria for adding equipment to the eligible equipment  
20 lists and incorporated procedure for removing equipment  
21 from the eligible equipment list.

22 Staff also held a public workshop to discuss  
23 these revisions on November 1st, 2012, and has  
24 considered stakeholder input in its recommendation --  
25 recommended revisions proposed for adoption today.

1           If approved, these revisions will reflect  
2 staff's consideration of input from the program  
3 administrators of the new solar homes partnerships, the  
4 California Solar Initiative, and the publicly-owned  
5 utilities solar owner incentive programs.

6           The revisions promote better alignment of the  
7 overall requirements of the California Solar Incentive  
8 Program and allow the program administrators more  
9 flexibility to streamline their programs to meet the  
10 dynamics of the electricity rate-payers customer base.

11           This concludes my presentation, and I'm open for  
12 any questions or comments.

13           Thank you very much.

14           COMMISSIONER PETERMAN: Thank you for the  
15 presentation. We have our representative from PG&E  
16 either on the line or in the room. Kim Ngo.

17           MS. NGO: Hi. This is Kim Ngo from PG&E.

18           COMMISSIONER PETERMAN: Got your last name  
19 right. Awesome. Welcome.

20           MS. NGO: Thank you. So we're looking to making  
21 the changes to the SB 1 Guidelines, specifically because  
22 you wanted to benefit from the changes to the inspection  
23 protocol, specifically, the inspection rate. The  
24 inspection rate currently stands at about 1 in 7  
25 statewide, and we inspect all projects that come in

1 based on the contractor.

2 So if the contractor is new to the program, we  
3 inspect the first two projects. And if they don't fail  
4 inspection, then we continue on with 1 in 7 rate.

5 And we found that the current management process  
6 yielded about two-and-a-half percent fail rate, which is  
7 a variable failure rate, so we were looking to see if  
8 the inspection protocol could be changed to a 1 in 12  
9 inspection rate.

10 And based on the 1 in 12 inspection rate, we're  
11 looking at a potential savings of \$425,000 on an annual  
12 basis. And that's why we proposed the recommendation to  
13 change the SB 1 Guidelines, specifically for the  
14 inspection protocols.

15 COMMISSIONER PETERMAN: Thank you.

16 Does staff want to comment?

17 MR. FOLKMAN: Thank you, Kim, for being on the  
18 line and making those comments:

19 As I mentioned, and Kim also mentioned about  
20 implementing the 1 in 12, that is an option. The  
21 program administrator can still utilize the existing 1  
22 in 7 option, so they have flexibility to do either one.

23 COMMISSIONER PETERMAN: Thank you. I appreciate  
24 staff being responsive to stakeholder feedback. Indeed,  
25 I think this guidelines update represents a lot of

1 action to continue to make this program work better, the  
2 guidelines work better, as well as to be more responsive  
3 as there are changes in technology and what should be  
4 eligible. We now have a more expedited process for  
5 making those changes.

6 So, Commissioners, do you have any other  
7 questions or comments?

8 COMMISSIONER MC ALLISTER: Yeah. I have a lot  
9 of experience with this program, and I feel like this --  
10 this is really a good sign, right?

11 I mean, I had been aware that PG&E -- largely  
12 PG&E. I mean, it affected all the program  
13 administrators through the course of the CSI, but as you  
14 scale up a marketplace, you have, you know, an order of  
15 magnitude or two greater with project flow. That 1-in-7  
16 requirement gets pretty onerous.

17 And at the same time, we have a much more mature  
18 marketplace, and we have an established contractor base  
19 that knows what they're doing. And these are Rapier  
20 funds that go to do the inspections, and if we need to  
21 optimize that, we absolutely should. And I really am  
22 glad to see this happening.

23 And particularly in the PG&E's area where they  
24 have such a large area of coverage. And, you know, a  
25 random 1-in-7, or every seventh installation, or however

1 they're doing their identification inspection sites, it  
2 can be in a lot of different places that require their  
3 contractors to go do those inspections at great expense  
4 across their service territory.

5 And if it's not needed, you know, an  
6 acknowledgment that we can relax a bit and still have  
7 the same marketing impact, I think, going forward is the  
8 right thing to do and can save Rapier some money and  
9 just improve administration of the program all around.

10 So to the extent that self-installs and new  
11 contractors are the ones that are doing most of the  
12 failings, we should be focusing on them.

13 So the new policy here of the guidelines on the  
14 inspections are very appropriate, so I'm fully  
15 supportive.

16 On the PRMS, again, I thinks it's responsive to  
17 the market place. It's letting the folks that are  
18 experts on the ground in the right place, you know,  
19 being the program administrators, working together to  
20 figure out how to respond to a changing marketplace with  
21 the technology that PRMS entails is also the right  
22 policy.

23 So I'm really glad to see this update, and I  
24 appreciate Commissioner Peterman's leadership in this  
25 area, and I have support on this item.

1           CHAIRPERSON WEISENMILLER: I think they're  
2     rebooting, so let's --

3           UNIDENTIFIED SPEAKER: We're still broadcasting.

4           CHAIRPERSON WEISENMILLER: Still broadcasting.  
5     Great. Let's go on.

6           COMMISSIONER PETERMAN: Thank you, Commissioner  
7     McAllister, for those comments. This is an opportunity  
8     then for another comment to move my last set of  
9     guidelines at the Commission. And so I will move Item  
10    Number 10.

11          COMMISSIONER MC ALLISTER: Okay. Sadly, I will  
12    second Item No. 10.

13          CHAIRPERSON WEISENMILLER: Okay. All those in  
14    favor?

15                 (Ayes.)

16          CHAIRPERSON WEISENMILLER: Item 10 passed  
17    unanimously.

18                 Thanks, James.

19          MR. FOLKMAN: Thank you very much.

20          CHAIRPERSON WEISENMILLER: Let's go on to Item  
21    11. Alternative Fuels Infrastructure. It's the  
22    possible approval of \$2,550,000 of ARFVTP funding.

23                 Andrew Hom.

24          MR. HOM: Good afternoon, Commissioners. My  
25    name is Andrew Hom. I'm from the Emerging Fuels and

1 Technologies Office in the Fuels and Transportation  
2 Division.

3 I'm here to seek the approval of four projects  
4 totaling \$2,550,000 in alternative and renewable fuel  
5 and vehicle technology program funding which will  
6 establish infrastructure to store, distribute, and  
7 dispense alternative fuels.

8 These four projects will help collectively  
9 displace up to 3,380,000 gallons of gasoline equivalent  
10 per year and reduce an estimated 3,610 metric tons of  
11 greenhouse gas emissions annually.

12 The first grant is Item Number 11(a) for  
13 agreement Number ARV-12-015 to RTC Fuels, LLC, doing  
14 business as Pearson Fuels, in the amount of \$1,350,000.

15 The requested amount will fund the installation  
16 of E85 dispensing equipment at 19 fueling stations  
17 throughout California.

18 This project was proposed under Program  
19 Opportunity Notice 11602 and proposed for funding under  
20 the Notice of Proposed Awards, round two, on August 16,  
21 2012.

22 All of the E85 fuel retail stations are to be  
23 established at existing fuel stations where customers  
24 are already used to going.

25 All of the proposed E85 fuel stations have a

1 number of fuel-flex vehicles already going to the  
2 station every day to buy gasoline.

3 The second item, Number 11(b), is for agreement  
4 Number ARV-12-018 to Santa Ynez Band of Chumash Indians  
5 in the amount of \$300,000 in ARFVTP funding.

6 The Santa Ynez Band of Chumash Indians will  
7 contribute over \$900,000 in matched funds to construct a  
8 public fast-fill compressed natural gas filling station  
9 in the place of an existing gas station.

10 This fueling station will provide a reliable CNG  
11 fueling source for local fleet vehicles and the general  
12 public, as well as extend the network of CNG stations  
13 along the Highway 101 corridor.

14 The project will remove the existing underground  
15 gasoline storage tanks and install two 150-plus standard  
16 cubic feet per minute compressor skids and at least two  
17 separate CNG dispensing units.

18 This station will be completed and operational  
19 within 26 months of agreement execution.

20 Item Number 11(c) is for Agreement Number  
21 ARV-12-025 to Lompoc Unified School District, also known  
22 as LUSD, to construct a CNG fueling station to support  
23 the district's existing and expanding fleet to a minimum  
24 of 14 public CNG-fueled school buses in the City of  
25 Lompoc. The total funding amount for this project will

1 be \$300,000 in ARFVTP funding.

2           Currently, LUSD has ten CNG Type A school buses  
3 but no reliable way to fuel them. LUSD would like to  
4 expand their CNG fleet and offer public refueling with  
5 the new CNG station.

6           The construction of this new station will fuel  
7 LUSD's bus fleet which it utilizes to transport students  
8 to and from school who depend on public transportation.

9           This proposed station will provide cleaner and  
10 healthier transportation for the students of Lompoc and  
11 include the creation of an estimated 15 temporary jobs.

12           The last request I am making is for Item Number  
13 11(d). Adoption of a Mitigated Negative Declaration  
14 under the California Environmental Quality Act and  
15 approval of grant agreement Number ARV-12-028, formerly  
16 ARV-11-027, to Blackhawk Logistics, LLC, a jointly held  
17 company of HayDay Farms and Border Valley Trading  
18 Company.

19           Blackhawk is requesting \$600,000 in ARFVTP  
20 funding to establish a new liquefied natural gas fueling  
21 station to be opened to the public and support goods of  
22 moving trucks.

23           The new LNG filling station to be owned and  
24 operated by Blackhawk will be located at 450 South  
25 Willow Street, Blythe, California.

1           The total cost of the proposed fueling station  
2 is \$1,725,000. The \$600,000 from the Energy Commission  
3 will be used for the purchase of equipment.

4           Blackhawk will construct the fueling station, as  
5 well as develop and manage the data collection process.

6           The Energy Commission is the lead agency for  
7 this proposed project under the California Environmental  
8 Quality Act.

9           Based on the initial study prepared by Willdan  
10 Engineering, staff has determined that the project will  
11 not have a significant effect on the environment because  
12 mitigation measures will avoid any potentially  
13 significant impacts.

14           Staff also consulted with Native American tribal  
15 representatives who have knowledge of the Blythe region.  
16 Outreach letters were mailed to the contact list  
17 provided by the Native American Heritage Commission.

18           One stakeholder requested that the Commission  
19 prepare a site-specific cultural resources study;  
20 however, staff determined that a specific study is  
21 unnecessary because the City of Blythe's general plan  
22 and environmental review documents indicate that the  
23 project site is not likely to contain cultural resources  
24 because it is not located in an area of archaeological  
25 sensitivity.

1           The project site is located in an urbanized area  
2 that has been disturbed by past human activities.

3           Also, to protect unexpected discoveries of  
4 cultural resources, staff has included Mitigation  
5 Measure CR-1, which requires project operations to stop  
6 until a qualified archaeologist has evaluated any  
7 cultural resources.

8           The proposed filling station will address the  
9 critical lack of infrastructure along the I-10 corridor  
10 between Phoenix and the City of Palm Springs. This  
11 station will support the fleets of HayDay Farms and  
12 Border Valley trading, approximately 40 vehicles, and  
13 will be open to the public to support other fleets that  
14 operate primarily on LNG.

15           Commission staff is available to help answer  
16 questions.

17           Mike Lewis from Pearson Fuels would like to make  
18 a statement and answer any questions regarding Item  
19 Number 11(a).

20           Jennifer Wellman, Planner/Project Manager for  
21 the Holt Group, will be speaking about Item 11(d), the  
22 Blackhawk project. The Holt Group is a consultant for  
23 Blackhawk/HayDay Farms.

24           Al Warot from Willdan Engineering and Ulrich  
25 Sauerbrey, the project manager from Blackhawk, are also

1 available to answer questions regarding item 11(d).

2 Thank you for your consideration, and the staff  
3 requests the Commissions' approval of these four  
4 projects.

5 CHAIRPERSON WEISENMILLER: Thank you.

6 Let's start with Mr. Lewis.

7 MR. LEWIS: Good afternoon. The main reason I  
8 came here is to make sure nobody tried to talk you guys  
9 out of giving me this grant. People do that sometimes,  
10 you know.

11 No. I just want to say I appreciate your  
12 commitment to alternative fuels, to E85 in particular.  
13 We all know to get to the goals of AB 118 and the goals  
14 of Greenhouse gas reduction and petroleum reduction  
15 there has to be a lot of E85s sold into California and  
16 light-duty vehicles.

17 So I appreciate your commitment, and hopefully  
18 your vote of confidence for Pearson Fuels. And I'm here  
19 to answer any questions you have.

20 COMMISSIONER PETERMAN: Thank you for being here  
21 with us today and for being with us in previous business  
22 meetings to tell us more about your company and the work  
23 you are doing on E85. And I am still supportive of the  
24 grant.

25 COMMISSIONER MC ALLISTER: And I want to just

1 thank Mike for your persistence throughout the program  
2 and then just in this field generally, because you're  
3 really a stalwart, and the state's looking to you in  
4 developing projects and pushing the agenda; so I  
5 appreciate that.

6 MR. LEWIS: Thank you.

7 CHAIRPERSON WEISENMILLER: Again. Thanks for  
8 being here.

9 Next? Anybody on the line?

10 COMMISSIONER PETERMAN: 11(d). We'll start with  
11 the comments on that item.

12 While we're waiting for the comment, do you have  
13 a question about 11(d), about whether the statement from  
14 the Chief Counsel's office that's necessary on this  
15 item?

16 MS. STEIN: This is Amanda Stein from the Chief  
17 Counsel's office. I don't believe there is any  
18 particular statement that's legally required. We've  
19 worked with AB 118 staff to prepare all the documents  
20 and ensure that everything is in order.

21 If you have any other specific questions, I  
22 would be happy to answer.

23 COMMISSIONER PETERMAN: Thank you. I appreciate  
24 Mr. Hom's discussion of the way in which the cultural  
25 issues are addressed in this item, both with reference

1 to the analysis that's already done that staff has  
2 referred to, as well as provisions to address any  
3 unexpected cultural issues.

4 I encourage those who are particularly  
5 interested in that topic to continue to communicate with  
6 the Commission as this project progresses, if approved.

7 MR. WAROT: This is Al Warot, Director of  
8 Planning for the firm of Willdan Engineering, the firm  
9 that prepared the initial study and then gave a negative  
10 declaration.

11 I just wanted to express my concurrence with the  
12 comments made by Andrew Hom. I think he addressed the  
13 environmental documentation, particularly the matter of  
14 cultural resources, very thoroughly.

15 It's been a pleasure working with the Commission  
16 staff on this project, and particularly seeing the  
17 outreach to the Native American community.

18 I think that would be the extent of my comment.

19 CHAIRPERSON WEISENMILLER: Thank you.

20 Anyone else on the phone?

21 Commissioners, any questions or comments on this  
22 item?

23 COMMISSIONER PETERMAN: I'll just note, since it  
24 was raised, does staff want to comment on the outreach  
25 that was done to the Native American community on this

1 project?

2 MS. BARONAS: Good afternoon. My name is Jean  
3 Baronas. I am supervisor of the Emerging Fuels Group in  
4 the fuels and transportation division.

5 The outreach started in November when we  
6 published in the state clearing house the announcement  
7 of the project, and also in the City of Blythe  
8 newspaper.

9 In response to those postings -- and Energy  
10 Commission website. And in response to those postings,  
11 we heard back from the Native American Heritage  
12 Commission who provided a list of contact points of  
13 individuals for us to reach out to.

14 Originally, this project was to be heard on the  
15 December 12th business meeting of the Energy Commission;  
16 however, we delayed it one meeting so that we could  
17 spend time talking to people, interviewing and finding  
18 out their impressions of the site and the gas station.

19 So we initiated an amendment to our first  
20 clearing house statement and concluded phone calling  
21 around January 4th.

22 Thank you.

23 Oh. We contacted 14 tribal representatives.

24 COMMISSIONER PETERMAN: Thank you for that  
25 additional information, and particularly for

1 highlighting the value of the Native American Heritage  
2 Commission outreach and response to our outreach,  
3 because that's oftentimes how we get it into more and  
4 more communities, having those for monitoring our  
5 outreach processing and reaching out and suggesting that  
6 folks reach out further.

7           And so I appreciate -- I know that all of these  
8 contracts need to be done yesterday, and so I appreciate  
9 staff taking the extra time, the extra month to make the  
10 phone calls and do the outreach and, you know, going  
11 even beyond what you're required to do to make sure that  
12 this information is available to those most affected.

13           Thank you.

14           COMMISSIONER MC ALLISTER: I agree with that  
15 totally. You know, the more outreach and impact to the  
16 community, the better.

17           I did wonder, since we are the lead agency, it  
18 is subject to CEQA, what is the plan for follow-up and  
19 compliance to make sure that the proposed mitigation  
20 measures are put in place and then everything goes  
21 according to plan on a project.

22           Not on this project specifically, but I guess  
23 I'm asking it as sort of informational, you know, how  
24 staff approach a project that is subject to CEQA going  
25 forward during that implementation process.

1 MS. BARONAS: Constant communication with the  
2 development of the site and professional assessment of  
3 the site during the grading process and the installation  
4 of the storage tank.

5 And in the case of any new cultural resources  
6 discovered, we follow state law in carrying out the  
7 requirements of the law on how to manage that type of  
8 discovery.

9 COMMISSIONER MC ALLISTER: So, you know, in the  
10 siting arena, I think this is, you know, very well  
11 established. And I guess I'm kind of wondering outside  
12 of that, sort of, what's the process for staff to  
13 receive public comment about, hey, this isn't happening  
14 correctly, and sort of following up to make sure that  
15 the project is done according to plan?

16 MS. BARONAS: Thank you for the questions. I  
17 personally contacted the tribal representatives and  
18 offered to stay in contact with them throughout the  
19 process, and they expressed appreciation for that.

20 COMMISSIONER PETERMAN: And I think  
21 Mr. McAllister, your question is more broadly about CEQA  
22 analysis within the transportation sector with an AB 118  
23 program.

24 So perhaps legal can speak to this generally, or  
25 I would also then encourage them to follow up with the

1 Commissioner's office to explain the CEQA process.

2 But did you want to make a comment?

3 MS. STEIN: In cases like this, the Commission  
4 is adopting a mitigation --

5 CHAIRPERSON WEISENMILLER: Can you speak more  
6 into the microphone, please?

7 MS. STEIN: Sorry. Excuse me. In cases like  
8 this, the Commission is actually adopting a mitigation  
9 monitoring and reporting plan as part of the agreement  
10 package.

11 So as milestones are reached, the project  
12 recipient will, you know, let us know and communicate  
13 with the Commission Agreement Managers as they meet  
14 milestones and finish their compliance work. And that's  
15 for the CAMS to monitor.

16 MR. LEVY: Let me add to that. That's a typical  
17 approach, is the project manager's interaction with the  
18 project applicant.

19 But in addition to that, we have a 1231  
20 complaint process, a formal process that the Commission  
21 or anybody who thinks that somebody is not complying  
22 with any requirement the Commission has laid down, they  
23 file a complaint with us.

24 And, of course, the Public Adviser is always  
25 available to hear any concerns as well.

1           COMMISSIONER MC ALLISTER: Great. Thanks a lot.  
2 I appreciate that.

3           MR. COE: I'm the project manager for --

4           COMMISSIONER PETERMAN: Please identify yourself  
5 and speak in the microphone.

6           MR. COE: My name is Donald Coe, and I'm the  
7 project manager for the Blackhawk project.

8           And I'm in continual contact with Al and with  
9 other major players in this project. If something does  
10 occur, I will probably know it within 24 hours.

11           COMMISSIONER PETERMAN: And then you'll  
12 disseminate that information?

13           MR. COE: Correct.

14           COMMISSIONER PETERMAN: Thank you.

15           MR. WAROT: This is Al Warot, Director of  
16 Willdan, again.

17           As Don just touched upon there will also be  
18 close ongoing coordination with City of Blythe staff  
19 where permits will need to be issued.

20           It's a ministerial project. There's no  
21 discretionary approval on the part of the City, but  
22 there will be permits, ministerial permits, like  
23 building and grading permits to be issued, and close  
24 monitoring and adherence to the mitigation measures at  
25 that local level, which also comes to a local point of

1 contact should any residents wish to express any  
2 concerns.

3 COMMISSIONER PETERMAN: Thank you. As noted,  
4 this is in the Blythe area, an area that also has other  
5 alternative development available. It's a local  
6 government familiar with the environmental and cultural  
7 issues, and so I'm glad you're continuing to work with  
8 them.

9 If there are no other questions, then I can move  
10 Item 11.

11 COMMISSIONER DOUGLAS: Second.

12 CHAIRPERSON WEISENMILLER: All those in favor?

13 (Ayes.)

14 CHAIRPERSON WEISENMILLER: This item passed  
15 unanimously. Thank you.

16 Let's go on to Item Number 12. Yuba Community  
17 College District. Possible approval of Agreement  
18 001-12-ECD for \$900,000 of Energy Conservation  
19 Assistance funds.

20 Amir? It's not Amir. Welcome.

21 MS. SMITH: Good morning. I'm Marcia Smith.  
22 I'm the Office Manager in the Special Projects Office of  
23 the Fuels and Transportation Division.

24 And I apologize that Emir is not here today. I  
25 just found out that he's out of the office ill, so I

1 will move forward and do my best to present this item.

2 This is an ECAA loan for the Yuba Community  
3 College District; possible approval of \$900,000 in  
4 energy upgrades that will be used at three separate  
5 district campuses: Yuba, Woodland, and Clearlake  
6 Community Colleges.

7 And we estimate that the annual energy savings  
8 will be \$550,574 kilowatt hours of electricity, and  
9 \$72,043 in utility expenses.

10 And we respectfully request your approval of  
11 this item.

12 CHAIRPERSON WEISENMILLER: Thank you.

13 Commissioners, any questions or comments?

14 COMMISSIONER MC ALLISTER: No. I've commented  
15 before about the ECAA, and I know the staff puts a lot  
16 into evaluating these projects and making sure that they  
17 not only the meet the requirements of the projects but  
18 also utilizes the technology being proposed and the  
19 projects' scopes are good projects and cost effective in  
20 the interests of the applicant, and so I support this  
21 project.

22 So I'll move Item Number 12.

23 COMMISSIONER PETERMAN: I'll second.

24 CHAIRPERSON WEISENMILLER: All those in favor?

25 (Ayes.)

1           CHAIRPERSON WEISENMILLER: This item is passed  
2 unanimously. Among the three of us, at least.

3           Let's go on to Item 13. Minutes. Possible  
4 approval of December 12th Business Meeting Minutes.

5           COMMISSIONER PETERMAN: I'll move.

6           COMMISSIONER MC ALLISTER: Second.

7           CHAIRPERSON WEISENMILLER: So all those this  
8 favor of adopting the minutes?

9           (Ayes.)

10          CHAIRPERSON WEISENMILLER: This item passed  
11 unanimously.

12          COMMISSIONER DOUGLAS: Chairman, if I could, on  
13 Item 12, I'd like to add on in support of Item 12.

14          CHAIRPERSON WEISENMILLER: Accepted. That will  
15 be good. So we now note that, again, it's now  
16 unanimous, 4 to 0.

17          So, Lead Commissioner or Presiding Member  
18 Reports.

19          COMMISSIONER PETERMAN: I've got nothing going  
20 on.

21          Thank you, again, for the terrific resolution  
22 and wonderful experience here. And I'll continue to --  
23 I'll see you at the next IEPR workshop, if I can make  
24 it.

25          CHAIRPERSON WEISENMILLER: Does that mean you

1 become the PUC's representative for the IEPR this year?

2 COMMISSIONER PETERMAN: I am interested in a  
3 number of the topics I'm sure that Commissioner  
4 McAllister will cover, so I would like to attend as many  
5 as I can. And I'm invited to.

6 CHAIRPERSON WEISENMILLER: You're more than  
7 welcome.

8 COMMISSIONER MC ALLISTER: You're more than  
9 welcome. More than welcome, yes.

10 CHAIRPERSON WEISENMILLER: Again, I'll be brief;  
11 but, again, just to sort of give the updates on various  
12 items.

13 So, I think all of you know that FERC adopted  
14 the proposals of the ISO to provide an RMR contract in  
15 the Huntington Beach context for the synchronous  
16 condensers and also decided that J.P. Morgan could not  
17 withhold consent, which was a huge milestone for the  
18 state?

19 I've been informed that J.P. Morgan has decided  
20 that it would appeal that FERC decision and take that to  
21 whatever level of appeal.

22 So we still have a challenging situation for the  
23 summer in terms of whether or not we actually get the  
24 synchronous condensers in place.

25 In terms of -- moving forward, Cal-ISO has

1 indicated earlier, albeit it's a preliminary study  
2 responding to the Energy Commission recognition to a 207  
3 IEPR to look at what are the implications if none of the  
4 nuclear plants are operating within the state.

5 And within Northern California -- and it's a  
6 preliminary study. They are working through this month,  
7 hopefully, to get it finalized; so it's still a draft  
8 study per se.

9 But within Northern California, Diablo Canyon,  
10 thinking about its location in terms of its grid, you  
11 know, certainly there are consequences; but there are no  
12 real dire consequences that seem to pop out.

13 In Southern California it is pretty stunning,  
14 you know, in terms of what we have to do if both units  
15 of San Onofre are not there, both in terms of -- and  
16 they laid out two options. One is more generation and  
17 one is more transmission; but generally, again, you have  
18 to do a lot.

19 And it does have -- one of the subtle  
20 implications that occurs is right now we use the fossil  
21 fuel plants a lot for cycling up and down to provide  
22 flexibility to respond to renewables for loads or  
23 outages of transmission of other power plants.

24 Well, to the extent that without San Onofre  
25 you're basically shifting some of these plants into base

1 load operation so that they would not be available for  
2 that sort of flexibility. And so that would require,  
3 you know, again, really additional units down there.

4 So that -- anyway, you know, they've done the  
5 study and they need to make sure the numbers are right,  
6 but certainly the implications are pretty significant  
7 for all of us.

8 And at the same time, I guess the other two  
9 things to note on the NRC front, the NRC has sent more  
10 questions to Edison to respond to, and one of the more  
11 interesting ones is whether or not the plant could  
12 operate safely at a hundred percent.

13 And part of what Edison is saying is derate it  
14 to 70 and that moves it out of the regime of the fluid  
15 elastic instability.

16 COMMISSIONER MC ALLISTER: You're talking about  
17 the remaining unit here?

18 CHAIRPERSON WEISENMILLER: Yeah. Unit 2 is the  
19 only thing on the table.

20 3, I would say it's dead; but, you know, it's  
21 not officially dead at this point. They haven't started  
22 laying off workers associated with 3.

23 So the NRC has raised that question. I think  
24 they're also dealing, you know, with Friends of the  
25 Earth on whether or not this requires a license

1 amendment. And that certainly gets to this hundred  
2 percent question.

3           You know, I think at least one way of reading  
4 the NRC's questions is if the plant can't operate at a  
5 hundred percent, does that mean the license has to be  
6 amended? And if that's the case, then again it's a  
7 different regulatory process of the NRC, a longer one.

8           And so that was at least significant, that issue  
9 of what is the regulatory standard is what's being  
10 established.

11           The NRC is setting up more events in Southern  
12 California. There is one, I think, that's been set up  
13 to hear from the public on the San Onofre issues, and  
14 there may be an additional one.

15           So, anyway, the proceeding is marching on, at  
16 least the fundamental issues will be joined on whether  
17 this is a license amendment or confirmatory action  
18 approach.

19           COMMISSIONER MC ALLISTER: So the longer  
20 process -- so even if there is a determination that it  
21 can run at some derated capacity but it can't run, is  
22 there a time frame there? The amendment process is a  
23 certain --

24           CHAIRPERSON WEISENMILLER: Yes. If it is a  
25 confirmatory action level, the earliest the NRC would be

1 putting out a decision is mid-March, and that -- the NRC  
2 staff told me that was an aggressive schedule.

3 To the extent it took Edison six months to  
4 prepare the response and they had lots of resources --  
5 and the NRC obviously does not have that level of  
6 resources -- it could go longer than that.

7 But if it's a license amendment there will  
8 hearings. You know, we're probably talking about at  
9 least a year or more for that.

10 So that's still a big question mark for us for  
11 the summer as what happens in Southern California.

12 And, finally, the PUC yesterday had the  
13 pre-hearing conference on its OII on San Onofre. We had  
14 representatives there. We will be collaborative staff  
15 there in that proceeding.

16 They have listed four phases. Let me see if I  
17 can find it. We have stacks of paper there.

18 Anyway, the issues will be pretty much, you  
19 know, prudence -- you know, what happens if they got a  
20 rate base? You know, what's the prudence -- what are  
21 the replacement power costs? What is that? Who is  
22 responsible for that? Is that shareholder or Rapier  
23 money? That is one.

24 Certainly there will be a prudence issue on  
25 whether Edison should have known or realized what was

1 going on.

2           And, again, you know, what's the consequence of  
3 dealing with this? Does the plant come out of rate  
4 base? And, ultimately, although it looks like it's  
5 going to be a later phase, would deal with what to do if  
6 it's not. You know, what are the power replacement  
7 implications?

8           So, again, the PUC is taking a very deliberate  
9 process. I would have to characterize it as very  
10 frustrating in that, first, in the LTP, they're looking  
11 at local capacity needs, and eventually they'll deal  
12 with flexible, you know, resource needs; and then  
13 eventually they will deal with SONGS.

14           And so as that tags along and stretches out, you  
15 know, you could end up with an accordion schedule on  
16 developing resources, getting more and more  
17 nerve-racking.

18           So, anyway -- but at this point, certainly there  
19 are huge issues in that OII. And I think we're  
20 certainly looking more at collaborating with them on  
21 the -- you know, what are the longer-term options? You  
22 know, I don't envision us testifying on prudence or  
23 those sorts of questions, frankly.

24           So that's my -- Andrew, I know -- you could talk  
25 about the data issues, the data OIR. You know, in the

1 context of the PUC proceeding.

2 COMMISSIONER MC ALLISTER: The OIR on data? I  
3 wasn't planning on talking about that.

4 CHAIRPERSON WEISENMILLER: Yeah, but just inform  
5 the other Commissioners what we're doing here.

6 You're next.

7 COMMISSIONER MC ALLISTER: Yeah, go ahead. I'll  
8 collect my thoughts here.

9 COMMISSIONER DOUGLAS: I'm afraid I'm not going  
10 to be very long. I am speaking slowly to help you a  
11 little bit, but I have nothing to report.

12 COMMISSIONER PETERMAN: I have one more thing to  
13 add that I didn't mention.

14 I just wanted to acknowledge Saul Gomez, who  
15 served for me as Special Adviser through December 31st,  
16 2012, working up to the very last minute; and that he  
17 has finished his service with the Energy Commission to  
18 begin serving as Executive Director of the California  
19 Alternative Energy and Advanced Transportation Financing  
20 Authority, otherwise known as CAEFTA, and excited that  
21 he's in this role.

22 CAEFTA is an authority under the Department of  
23 Treasury in California, and we work with CAEFTA. And  
24 looking forward to the leadership he will bring to that  
25 organization.

1           So congratulations, Saul.

2           MR. MC ALLISTER: I would, yeah, totally  
3 reiterate that. And, actually, I've already been in  
4 contact with Saul in his new role, because that  
5 financing authority does, as you said, transportation  
6 and energy efficiency, and has a program to do reserves  
7 and other financial and credit enhancements for you  
8 know, for Energy Upgrade California and is, you know, I  
9 think, a very important resource that this state has to  
10 help develop this marketplace. So I'm clued in now.

11           So one issue that we -- so I'm going to talk  
12 first about the IPER, actually, just to give everybody  
13 an update, the 2013 IPER.

14           The 2012 IPER is wrapping up. 2013 is getting  
15 started later this month the scoping, or it will come  
16 out for the 2013 IPER. There will be a couple of weeks  
17 for comments and then we'll finalize it.

18           One of the -- due to some legislation passed  
19 last year any data activity that we do has to at least  
20 be referred to in order to be set up scope IPER even  
21 though we can talk about it in other forums.

22           And one of my responsibilities with energy  
23 efficiency AB 758 implementation development of the  
24 actual plan. At this point staff is working very hard  
25 on that. We're moving towards a draft action plan that

1 will come out definitely in the first quarter of this  
2 year.

3           One of the issues that we -- that clearly needs  
4 to be discussed and resolved is data and access to data  
5 about project data, what level -- the Smart Meter data  
6 is obviously out there in a proceeding in the PUC.

7           And there are a number of levels of data that, I  
8 think, many stakeholders are somewhat frustrated about  
9 not having access to. Obviously, there are privacy and  
10 customer confidentiality concerns that very much have to  
11 be taken seriously.

12           So we have been working in a few different ways  
13 with the PUC, definitely crossed staffs; and they have  
14 developed in the OIR that Chair Weisenmiller referred to  
15 on the idea of a data warehouse. And we -- well, just  
16 to sort of keep it at a relatively high level, we are  
17 very interested in that discussion. We want to  
18 participate.

19           Initially, we had been asked to be parties to  
20 that proceeding; decided that probably -- together with  
21 the Commissioner, and crossed our legal, we decided we  
22 would not -- no longer be a party, and that we would  
23 actually be a collaborative agency with the PUC.

24           So that's where that stands, and I think that's  
25 the best seat for us in that discussion. It's very

1 relevant for me and for the Commission, any commission,  
2 because we're going to be having this discussion, you  
3 know, sort of -- definitely within the AB 758 proceeding  
4 this year as that moves forward.

5           And I think it's really important to get to  
6 resolution on all the roles and responsibilities and  
7 around data handling with respect to energy efficiency  
8 projects; and, in particular, AB 758 and what we are  
9 calling Energy Upgrade California, that brand, and that  
10 endeavor here in the state. That is really a critical  
11 endeavor for the state going forward. If done right, it  
12 will be a very big deal.

13           And in order for the marketplace to develop and  
14 develop sophisticated business models to understand, to  
15 inform decision-making and be able to move capital into  
16 the existing building arena, there really does have to  
17 be access to better data than we have today.

18           And, you know, there is an analogue with the  
19 solar marketplace and how that has developed over time  
20 with the different business models and bringing private  
21 capital and leveraging state programs, but this is a  
22 different marketplace.

23           And, you know, one of the themes across today, I  
24 think, has been that -- in a way, sort of  
25 implicitly we're all becoming -- the Commissioners are

1 becoming kind of jacks of all trades, in a way. And  
2 it's because these, you know, distributed generation,  
3 demand response -- you know, the technology that is  
4 increasingly distributed throughout the electric systems  
5 requires that it -- it forces the overlapping  
6 discussion -- it makes the discussions about any given  
7 topic overlapping with those other topics. And so DG,  
8 demand response, energy efficiency, and how those relate  
9 to the bigger grid, which brings in issues of more  
10 central station platforms.

11 So, anyway, I think this data is really an  
12 enabling tool that is going to sort of course across  
13 many of the discussions that we have going forward; and,  
14 in particular, for me, IPER and 758.

15 So I just wanted to kind of talk about that an  
16 update within the IPER context and within the context of  
17 the AB 758 development.

18 So, thanks.

19 CHAIRPERSON WEISENMILLER: Thank you.

20 Chief Counsel's report.

21 MR. LEVY: Good afternoon, Commissioners.

22 First, a few comments on behalf of the Chief  
23 Counsel's Office personnel decisions that have recently  
24 transpired.

25 I want to first acknowledge on behalf of our

1 office the partnership of Jennifer Jennings over the  
2 last amount of time that you have been here with us.  
3 Three years, I believe.

4           You know, the Public Adviser's office is a  
5 valuable partner for the Chief Counsel's Office to  
6 ensure access and procedural fairness in our  
7 proceedings.

8           And, Jennifer, I want to acknowledge you and  
9 thank you for all of the times you've come into my  
10 office to discuss how we can do things better and how we  
11 can provide more transparency and better processes that  
12 ensure more access to the public.

13           Thank you very much for your service.

14           MS. JENNINGS: Thank you.

15           MR. LEVY: Also, Commissioners, Commissioner  
16 Douglas, my office and I are delighted that you've been  
17 reappointed. We're very much looking forward to working  
18 with you for the next five years, and we're very happy  
19 to see that has just happened.

20           Commissioner Peterman, again, on behalf of my  
21 office -- we spoke yesterday, but I'm very sorry to see  
22 you leave. You bring a tone and an energy to the  
23 Commission. Your respectfulness for staff, your  
24 interest in driving us forward, has been monumental.

25           I know we've already sent a couple lawyers over

1 to Franklin at the PUC whom you'll know very well --  
2 Jonathan Napp and Christine Hammond -- so it shouldn't  
3 be all strangers over there. I know you'll enjoy  
4 working with Frank and his team. We're going to miss  
5 you over here.

6 Thank you very much for your service.

7 COMMISSIONER PETERMAN: And thank you for your  
8 comments, Mr. Levy. And, particularly, thank you to  
9 your staff that have just done a tremendous amount of  
10 work. I mean, every proceeding we work on, every issue,  
11 we have legal engagement.

12 And, particularly, I want to acknowledge the  
13 efforts of Gabe Herrera in your office who does the work  
14 of many men and has been particularly supportive of my  
15 office and our work on renewables.

16 And I appreciate the guidance and support and  
17 kind and friendliness I received from your staff. So  
18 thank you.

19 MR. LEVY: Thank you for saying so.

20 And, Commissioners, I'd also like to request in  
21 closed session today to discuss the facts and  
22 circumstances that constitute a significant exposure of  
23 litigation against the Commission.

24 CHAIRPERSON WEISENMILLER: Okay. Thank you.

25 Executive Director's Report.

1 MR. OGLESBY: Thank you. I have nothing to add  
2 today.

3 CHAIRPERSON WEISENMILLER: Public Advisory  
4 Report.

5 MS. JENNINGS: Thank you. Thank you for the  
6 kind comments. And did you --

7 MR. OGLESBY: I'm sorry. I overlooked. I  
8 apologize for that. Paul Kramer has a new member of  
9 staff that he'd like to introduce to the Commission.

10 MR. KRAMER: It's my pleasure to introduce Susan  
11 Burns Cochran to you. She's our newest Hearing Adviser.  
12 And we -- actually, we were working today while we were  
13 waiting, because we'll probably both be working on the  
14 Redondo Beach case when it goes forward.

15 Susan comes to us -- I should promote her a  
16 little bit more than that. She has a wealth of land use  
17 experience, which, as you can imagine, is going to be  
18 quite relevant in the siting cases that we conduct  
19 which, after all, are just really big local land use  
20 permits we do for them as a public service.

21 So she was City Attorney in Elk Grove for four  
22 years, and before that she worked for the cities of  
23 Santa Clara and Lathrop.

24 So she's doing to hit the ground running on  
25 CEQA, and she probably has some -- actually, some hard

1 questions of us about the way we do things. That will  
2 be a learning experience for all of us.

3 CHAIRPERSON WEISENMILLER: Great. Welcome.

4 MS. COCHRAN: Thank you. I'm very excited to be  
5 here, and I look forward to working with each and every  
6 one of you.

7 Unfortunately, Commissioner Peterman, I don't  
8 think we're going to get to work together.

9 I echo the comments that I've heard today.  
10 Thank you again for the opportunity to work with you  
11 all.

12 CHAIRPERSON WEISENMILLER: Thank you. You're  
13 welcome. Welcome.

14 Jennifer Jennings.

15 MS. JENNINGS: Yes. Thank you. I also  
16 appreciate the working relationship I've had with the  
17 Chief Counsel's office. Sometimes we've disagreed or  
18 had different interpretations, but it's always been  
19 respectful, and I've appreciated that.

20 I've listened with some concern with the Avenal  
21 discussion about the issue of translation of our  
22 documents in other languages.

23 I found when I came here that it was very  
24 expensive for the limited number of documents that the  
25 Public Advisor's office translated, mostly into Spanish,

1 and realized that once people got the notice of the  
2 proceeding then they really had nowhere to go in Spanish  
3 language documents beyond that.

4 So sometime ago I did ask the Web master to look  
5 into installing on our Web page a translation program  
6 that the Attorney General's Office uses. And it's free,  
7 and you can simply click onto that any -- along with any  
8 documents and it could translate into dozens of  
9 languages.

10 At that time his concern was it would not be  
11 perfect, but perhaps with the advances of technology it  
12 would be better now. And so with your comments that I  
13 heard today, and certainly the concern that we reach out  
14 more, I will ask him to review it again and see whether  
15 we can have that kind of translation service on our Web  
16 page.

17 Of course, it would have to have the standard  
18 disclaimers -- that you can't rely on this for technical  
19 or legal reasons or anything -- but at least I think it  
20 would give members of the public who don't speak English  
21 as a first language the gist of what is going on at the  
22 commission. And, most importantly, in these tight  
23 budget times, they're free programs; so...

24 CHAIRPERSON WEISENMILLER: Right. Another thing  
25 you might suggest for the public -- I get emails from

1 cousins in Italy, and my Italian is pretty broken -- is  
2 the Chrome browser automatically will translate, you  
3 know, stuff into different languages, not just Spanish  
4 or not just Italian.

5           Again, it doesn't seem to do a perfect job but  
6 if you're using that browser, you know, it will  
7 translate a number of languages.

8           MS. JENNINGS: Okay. Yeah. I'm sure there are  
9 many programs out there, so I guess we can see what we  
10 can install on the Commission website. It would be  
11 helpful.

12           MR. MC ALLISTER: I just wanted to observe that  
13 when Commissioner Douglas and I were at a hearing and an  
14 on-site visit last year -- you know, both of us actually  
15 speak Spanish and, you know, there were many  
16 Spanish-speaking people in the audience. And, as a  
17 practical matter, sort of switching languages in the  
18 middle of a hearing, you know, it's a little --

19           I guess, you know, maybe we can think outside of  
20 the box on how to actually -- you know, Spanish speakers  
21 that show up at to even a site hearing when we are in  
22 the field and they are stakeholders, maybe our site  
23 visits could set aside an agenda item or a time where  
24 we, as Commissioners, could actually directly engage  
25 with those stakeholders in their language, if we are so

1 able.

2 It was a little frustrating for me because,  
3 having lived in Latin America for a long time, my gut is  
4 sort of like, okay, I want to switch over and engage  
5 with these people; but in that forum it's little bit  
6 difficult.

7 So maybe we can think about, you know, if we  
8 have that ability on site to figure out a way to  
9 maneuver the agenda to enable.

10 CHAIRPERSON WEISENMILLER: Well, the other  
11 question is when I've been at PUC business meetings they  
12 actually have someone translating for the visually  
13 impaired.

14 MS. JENNINGS: Yes. I believe in that hearing  
15 we had headphones for the Spanish speakers.

16 I agree they had no ability to communicate, you  
17 know, to the broader public. But they did understand  
18 what was going on, I assume, from the proceedings.

19 COMMISSIONER PETERMAN: I think your suggestion  
20 to look at what the Attorney General's Office does and  
21 other offices do is a very good one.

22 And it sounds like, you know, even short of the  
23 immediate step of us doing something with our website,  
24 that there are translators out there that folks may not  
25 be aware of and thinking that we can just make that

1 information public when we put the notices in English.  
2 It's a first good step, but -- I appreciate the dialogue  
3 we've had on this issue.

4 And as not a Spanish speaker, I am happy that  
5 Commissioner McAllister and Commissioner Douglas at  
6 least are.

7 COMMISSIONER DOUGLAS: Yeah. I fought over the  
8 same issue that Commissioner McAllister has raised.  
9 And, of course, one of the issues is that we would  
10 immediately bewilder the person trying to transcribe the  
11 hearing unless they were able to understand and write  
12 down what was being said.

13 And I've also struggled with the issue of  
14 imperfect translation because I would hate to have  
15 somebody believe that they are effectively participating  
16 in a case by reading a document that's been translated  
17 by one of these programs and then, you know, maybe  
18 something really critical is garbled or comes out wrong  
19 in a critical way. And, you know, to me that's the kind  
20 of potential prejudice that would cause real concern.

21 So these are not easy issues. I appreciate you  
22 bringing that forward. And it would be, of course, very  
23 good to continue thinking how to deal with them.

24 CHAIRPERSON WEISENMILLER: So, public comment?

25 COMMISSIONER DOUGLAS: I believe you have a

1 public comment card.

2 CHAIRPERSON WEISENMILLER: We do. Mr. Allen  
3 Amaro.

4 MR. AMARO: Good afternoon, Commissioners.

5 My name is Allen Amaro, and I'm a Certified  
6 Small Businessman in the State of California, native  
7 Californian. I'm also a Disabled Veteran Business,  
8 DVBE. I'm also a Hispanic business owner.

9 What I wanted to bring to your attention  
10 today -- I did have a prepared statement, about a page  
11 and a half, but I'm not a real classic public speaker; I  
12 do it very, very few times, so I really thought today to  
13 condense it and speak from the heart.

14 So my concern that I bring to your attention  
15 today -- and hopefully we can get some staff to look  
16 into this -- is some faulty business practices by the  
17 California state provider for HERS, which is CalCERTS.

18 I was a CalCERTS rater up to December 11th  
19 when I was decertified. And one of the things that took  
20 me back some was the fact that I have never been given  
21 due process.

22 Due process is a right guaranteed under the  
23 constitution to be faced by my accuser in open court,  
24 blah, blah, blah.

25 And the reason why I say this -- and not to

1 belabor it -- is the Energy Commission has oversight  
2 over the state provider, the Legislature has oversight  
3 over the Energy Commission, the Governor has oversight  
4 over the Legislature, and the people have oversight of  
5 the Governor. And my rights have been abridged. I've  
6 been subject to faulty investigations by CalCERTS.

7           Again, excuse me.

8           I have in my backpack some different information  
9 that I looked up on the Energy Commission's website.  
10 Same old story: Failure to -- quality control,  
11 according to the rater's agreement, which would have  
12 helped forestall some of the problems that may have  
13 occurred.

14           I know that when CHEERS was brought down by the  
15 Energy Commission and closed down that it caused a great  
16 amount of turnover to go to another state provider,  
17 which happened to be at that time CalCERTS; but it  
18 caused a bigger -- even a bigger problem, and maybe the  
19 Commission wasn't aware of, and that's the simple fact  
20 that it put a strain on CalCERTS. And they were unable  
21 to, you know, live up to making sure that it was, I  
22 think, in order.

23           I've never been trained by CalCERTS. I took  
24 their challenge test, but I have never been trained by  
25 them. Never ever, ever. But at a class that I took,

1 they spoke of how the procedures for HERS was flawed by  
2 CHEERS, and so on and so forth.

3 I'm going to really condense this. I know that  
4 we have five minutes according to this. I'll just  
5 conclude with the simple fact that this is not the Old  
6 West. CalCERTS has been allowed to be the Judge Roy  
7 Bean -- judge, jury and prosecutor to decertify people.  
8 That's totally wrong.

9 I served my country from 1964 to 1970. I was 17  
10 years old when I put my hand up and said, "I will obey  
11 all commands and I will protect the Constitution of the  
12 United States, foreign and domestic." I have not been  
13 given those rights.

14 I feel the same way I did back in 1964 as a  
15 17-year-old young man: Vulnerable. I could not even go  
16 into my military base through the front gate -- I had to  
17 put civilian clothes on -- because we were getting rocks  
18 and bottles thrown at us and spit upon. But I still  
19 protected my country, and I believe that what I did was  
20 right.

21 I was denied that right. I was denied every  
22 right that I protected by CalCERTS.

23 They are not a private institution that has the  
24 powers. You folks have the oversight. They didn't give  
25 me due process.

1           And that's what I'm really here about. I'm not  
2 going to fight the particular things that I was accused  
3 of, vilified for, but I have served this country and I  
4 have worked tirelessly in the energy field.

5           I have been on Energy Commission contracts with  
6 Davis Energy Group. I helped set the protocols for the  
7 testing for HERS. I know my job.

8           To be treated as an outcast and to only have --  
9 the fact that when I paid them my money, which was  
10 thousands upon thousands of dollars, that's when they  
11 suspended me. Not before. They waited until I paid my  
12 last bill of over six thousand bucks. And never had an  
13 opportunity to face anybody.

14           And I'd like to say that it's not in the public  
15 interests that any of this should happen to anybody. It  
16 may be too late for me. My business has been destroyed.  
17 I've lost a lot of customers, and I've had to turn them  
18 over to my competition. That's not right.

19           And maybe the Commission, if they deem so, they  
20 could have staff look into this so that may not happen  
21 to another American again. That they are not denied  
22 their rights, whether it be CalcERTS, or Cheers, or  
23 whoever that state provider may be.

24           It's a state provider. They are not a private  
25 business. They may be private business, but they are

1 doing it for the public good; and you folks should have  
2 oversight, and I should be treated with respect.

3 Thank you for listening to me. Again, I hope  
4 that you can help me.

5 CHAIRPERSON WEISENMILLER: Thank you for coming  
6 today and for bringing this to our attention. And  
7 obviously we thank you for your service to the country.

8 MR. AMARO: Thank you very much.

9 COMMISSIONER MC ALLISTER: I also want to thank  
10 you for your comments. And, you know, clearly, you  
11 know, you're expressing a very personal experience, and  
12 I sympathize very much. I appreciate that.

13 You know, obviously, there's a lot there. We  
14 can't unpack it. And this is not a hearing and so we  
15 can't really talk about the merits.

16 I would say that, you know, the Energy  
17 Commission's ultimate goal for the HERS marketplace is  
18 to have a robust, qualified, accountable community of  
19 raters and providers out there.

20 And what we've done is -- we have had some  
21 processes last year that sort of gave us the knowledge  
22 that there were some issues we needed to look at. And  
23 we've opened an order, an OII, an Order Initiating  
24 Investigation.

25 That will be happening this year, and I would

1 implore you to participate in that as well. We're going  
2 to be looking at some of the issues that you brought up  
3 as far as the structure of the provider marketplace.  
4 And if any changes in the regulations need to be put in  
5 place to add specificity and detailed components of the  
6 program to allow it to operate better, to require it to  
7 operate better; and sort of looking at the models  
8 that -- looking at the model that is in place, seeing  
9 how -- whether and how it needs to be modified.

10 As an experienced person in this field who  
11 clearly has some strong views and rich experience in  
12 this, I would invite you to participate in this.

13 Thank you very much.

14 MR. AMARO: Thank you. I look forward to that  
15 opportunity.

16 I've sat on the Department of General Services  
17 Small Minority and Business Owner, I've sat on Caltrans  
18 Small Business Council, and there was great dialogue;  
19 and I think it would enrich the community as a whole to  
20 have that type of experience rather than the no  
21 experience that I've faced.

22 Like I said, it may be too late for me. But as  
23 a red-blooded American and second generation  
24 Californian, I look forward to making sure that  
25 everybody gets treated fairly.



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REPORTER'S CERTIFICATE

I, Jacqueline Toliver, a Certified Shorthand Reporter for the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing Business Meeting was reported in shorthand by me, a duly qualified Certified Shorthand Reporter, and thereafter transcribed into typewritten form by means of computer-aided transcription.

I further certify that I am not of counsel or attorney for any of the parties to said hearing or in any way interested in the outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of January 2013.

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JACQUELINE TOLIVER  
Certified Shorthand Reporter  
License No. 4808