

Commissioners Present

Robert B. Weisenmiller, Chairperson
Karen Douglas
Andrew McAllister
Janea Scott

Staff Present:

Rob Oglesby, Executive Director
Michael Levy, Chief Counsel
Alana Mathews, Public Adviser
Harriet Kallemeyn, Secretariat

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Joseph Wang	3
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Aida Escala	5

Also Present

Interested Parties (* Via WebEx)

Bruce Chamberlain	4
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P R O C E E D I N G S

JULY 10, 2013 1:37 p.m.

CHAIRPERSON WEISENMILLER: Good afternoon. Let's start the Business Meeting with the Pledge of Allegiance.

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

CHAIRPERSON WEISENMILLER: Thanks. I think this is going to be a brief meeting. But let's start out noting that Item 2 will be held for a future meeting.

So, let's go to the Consent Calendar.

COMMISSIONER MC ALLISTER: I need to disclose that for Items 1.a and 1.b, I'm not recusing, just disclosing that my wife is a professor at King Hall, the law school at UC Davis, which is not the department that's receiving these funds. There is no conflict there but I just felt it necessary to just make that note. So, that's it.

CHAIRPERSON WEISENMILLER: Thank you.

COMMISSIONER DOUGLAS: All right, so I'll move the consent calendar.

COMMISSIONER SCOTT: Second.

CHAIRPERSON WEISENMILLER: All those in favor?

(Ayes)

CHAIRPERSON WEISENMILLER: The Consent Calendar

1 passes four to zero.

2 Let's go to Item Number 3, Pittsburgh Unified
3 School District. Possible approval of Agreement 001-13-ECD
4 for \$1,766,65, and this is ECAA Project Program funding.
5 Joseph Wang, please.

6 MR. WANG: Good afternoon, Commissioners. My
7 name is Joseph Wang and I'm the Project Manager with the
8 Special Projects Office.

9 Pittsburgh Unified School District is applying
10 for a loan for \$1,766,665 to install three energy-
11 efficiency projects.

12 After a district-wide energy audit the number of
13 energy-efficiency projects were identified by their
14 consultants.

15 The school district, at this time, is planning to
16 use this loan fund to retrofit interior and exterior lights
17 in nine schools and install occupancy controls and door
18 switch controls for over 60 HVAC package systems at three
19 schools.

20 And then, also, they want to install a 150-KW
21 photovoltaic system at Marina Vista Elementary School.

22 These projects are expected to reduce about
23 788,148 kilowatt hours of electricity and 8,296 therms of
24 natural gas annually.

25 The estimated annual energy cost savings for

1 these projects is about \$140,584 with a simple payback of
2 12.6 years.

3 The staff has reviewed and approved the technical
4 feasibility and energy savings of this loan and would like
5 to recommend the Commission to award the loan to the School
6 District.

7 If you have any questions, I'd be happy to answer
8 them.

9 CHAIRPERSON WEISENMILLER: Okay, Commissioners,
10 any questions or comments?

11 COMMISSIONER MC ALLISTER: Just a quick question.
12 So, I see that we're combining with an incentive from the
13 utility. Is that an incentive for the energy efficiency,
14 or is it a CSI incentive, or is it both?

15 MR. WANG: Both.

16 COMMISSIONER MC ALLISTER: Both, okay, so they're
17 participating in all the utility programs they can for
18 these projects?

19 MR. WANG: Yes.

20 COMMISSIONER MC ALLISTER: Okay. Well, as I've
21 said many times before, the ECAA model is obviously one
22 that works, gets funds to the right projects and has a good
23 amount of due diligence to make sure that the projects are
24 good investments.

25 And I think I'm very supportive of this project.

1 And in fact, combining energy efficiency and some self-
2 generation oftentimes makes a lot of sense to package those
3 together, kind of get the best bang for the buck, and get
4 the low-hanging fruit on the efficiency side, and also
5 shore up the -- you know, part of the rest of the
6 consumption, the remaining consumption with renewable
7 generation.

8 So, at a school, you know, it just makes a lot of
9 sense. So, I would recommend approval.

10 Okay, so I will move Item 3.

11 COMMISSIONER DOUGLAS: Second.

12 CHAIRPERSON WEISENMILLER: All those in favor?

13 (Ayes)

14 CHAIRPERSON WEISENMILLER: Item 3 passes four to
15 zero.

16 MR. WANG: Thank you.

17 CHAIRPERSON WEISENMILLER: Thank you.

18 Let's go on to Item Number 4, Kilowatt
19 Engineering, Inc., possible approval of Agreement 400-13-
20 001. This is a \$2 million contract and this is ECAA
21 Program funding.

22 Joji Castillo, please.

23 MS. CASTILLO: Good afternoon. My name is Joji
24 Castillo and I'm with the Special Projects Office of the
25 Fuels and Transportation Division.

1 With me is Bruce Chamberlain, from KW
2 Engineering, who will be the Project Manager of this
3 contract.

4 This is a contract with Kilowatt Engineering,
5 Inc., dba KW Engineering, Inc., for \$2 million.

6 This is a work authorization contract that will
7 provide technical assistance and support to the Bright
8 Schools Program, Energy Partnership Program, and the ECAA
9 Financing Program.

10 KW Engineering will be leading a contractor team
11 composed of KW Engineering as the prime contractor, and
12 five additional subcontractors.

13 The contractor team will evaluate energy-
14 efficiency opportunities in existing buildings, including
15 water and wastewater treatment facilities, and provide
16 support for new construction projects.

17 They will evaluate energy opportunities for co-
18 generation, distributed generation, renewable energy
19 systems, thermal and other energy storage systems.

20 In addition, they will also provide professional
21 engineering support, project support, as well as program
22 and energy-efficiency marketing support.

23 In general, the technical support will come in
24 the form of energy audits, feasibility studies and related
25 services which will assist eligible entities identify and

1 evaluate energy-efficiency measures that are planned in
2 existing facilities.

3 This will be a three-year contract to June 30,
4 2016 and will be funded with ECAA Program funds.

5 At this time I would like to turn it over to
6 Bruce.

7 MR. CHAMBERLAIN: Thank you. My name's Bruce
8 Chamberlain, with KW Engineering. And besides representing
9 our firm, I also want to represent today the KW team
10 overall, made up of ARRUP, Ambient Energy, Sage Renewables,
11 FCI Consultants, and Red Horse.

12 We're excited to start and prepared to hit the
13 ground running on these three programs that include
14 projects similar to the one on Item 3. I'm glad to see
15 that moving forward.

16 And I'm happy to answer any questions at this
17 time.

18 CHAIRPERSON WEISENMILLER: Thank you.
19 Commissioners, any questions or comments?

20 COMMISSIONER MC ALLISTER: I wanted to just ask
21 Joji if you could describe the RFP process that resulted in
22 this one. I mean I know that there's a robust process and
23 I think it's just good to get a little bit of that on the
24 record just to show some of the work that went into, you
25 know, the one contractor that gets the award. But a lot of

1 qualified folks are out there in the marketplace and we
2 chose a good one.

3 MS. CASTILLO: So, we request -- so we released a
4 request for qualifications on October 22nd, last year. And
5 we had requested statements of qualifications to be
6 submitted based on different criteria in the RFQ.

7 We had a scoring committee that was composed of
8 technical staff. And we had scored this based on the
9 scoring criteria that was in the RFQ.

10 The top three contractors that were -- or the
11 contractor team that was scored the highest, that ranked
12 the highest, the top three we invited back for discussion
13 and we had asked them deeper questions or clarifying
14 questions.

15 And added those scores to their technical -- to
16 the scores from their SOQ, and then that's when we have
17 chosen KW Engineering as the top ranking.

18 (Off-mic comment from audience)

19 MS. CASTILLO: Oh, that's right. I'm sorry, I
20 forgot about that.

21 So, after we did the discussions we had chosen --
22 KW Engineering was the top-ranking contractor, so we had
23 done cost negotiations with them for a period of time.

24 And when we've agreed on the costs, then we
25 proceeded to process the contract.

1 COMMISSIONER MC ALLISTER: Thanks. Thanks for
2 that.

3 MS. CASTILLO: Sure.

4 COMMISSIONER MC ALLISTER: And I think the sense
5 was that there were several, you know, good contractors and
6 we had good options --

7 MS. CASTILLO: Yes, we had -- we actually --

8 COMMISSIONER MC ALLISTER: -- and we really -- we
9 had a lot to work with and the result is sort of the bunch
10 of the bunch, I think. So, I just wanted to make that
11 process clear.

12 MS. CASTILLO: We actually received six SOQs in
13 response to our RFQ.

14 COMMISSIONER MC ALLISTER: Great. Okay, thanks
15 very much. So, I don't have any other questions. Anybody
16 else?

17 This sort of falls more in the energy efficiency
18 realm so I feel like it's sort of my obligation and desire
19 to dig in a little bit.

20 But I think, you know, this is kind of -- it's of
21 such huge benefit to the schools, in particular, to have a
22 high-quality resource that's -- you know, it's obviously
23 very important to get it right, but it also -- you know,
24 it's something that really, I think, helps good projects
25 happen across the State.

1 And so, you know, getting these resources out
2 there to where they're most -- they're well-utilized I
3 think is really top priority for us and, you know, happy to
4 have this moving forward.

5 So, I'll move Item 4.

6 COMMISSIONER SCOTT: Second.

7 CHAIRPERSON WEISENMILLER: All those in favor?

8 (Ayes)

9 CHAIRPERSON WEISENMILLER: Item 4 passes four to
10 zero.

11 Thank you.

12 Let's go on to Item Number 5, which is Tetra
13 Tech, Inc., possible approval of agreement 600-13-002. And
14 this is, again, for up to \$2 million, and this is ARFVTP
15 Funding.

16 And Aida Escala, please.

17 MS. ESCALA: Good afternoon. I'm Aida Escala
18 with Emerging Fuels and Technologies Office.

19 I'm presenting for possible approval Agreement
20 600-13-002, with Tetra Tech, Incorporated for a work
21 authorization contract of up to \$2 million to provide
22 technical support and engineering consulting services for
23 the Energy Commission's Alternative and Renewable Fuel and
24 Vehicle Technology Program.

25 The contractor will assist in evaluating the

1 technical merits of proposals submitted for funding,
2 provide technical assistance in troubleshooting projects,
3 and conform that the projects have been built according to
4 technical specifications in the agreement.

5 This is a cost reimbursement contract. The
6 contractor and the Energy Commission shall agree on the
7 scope of work and budget for each work authorization.

8 I'm available to answer your questions and thank
9 you.

10 CHAIRPERSON WEISENMILLER: Thank you.

11 Commissioners, any questions or comments?

12 COMMISSIONER SCOTT: I'll move this item.

13 COMMISSIONER DOUGLAS: Second.

14 CHAIRPERSON WEISENMILLER: Okay, all those in
15 favor?

16 (Ayes)

17 CHAIRPERSON WEISENMILLER: This item passes four
18 to zero.

19 Thank you.

20 MS. ESCALA: Thank you.

21 CHAIRPERSON WEISENMILLER: Let's go on to the
22 Minutes, Item 6.

23 COMMISSIONER DOUGLAS: I move the Minutes.

24 COMMISSIONER MC ALLISTER: I'll second.

25 CHAIRPERSON WEISENMILLER: All those in favor?

1 (Ayes)

2 CHAIRPERSON WEISENMILLER: The Minutes are
3 approved four to zero.

4 Let's go on to Lead Commissioner or Presiding
5 Member Reports.

6 COMMISSIONER SCOTT: All right, so I had a couple
7 of things that I wanted to highlight for you all that I
8 have been up to since the last Business Meeting.

9 I went to the Western Governors' Association
10 Meeting that was at the end of June, with Secretary Laird.

11 And it was a nice opportunity to hear from some
12 of our Western State counterparts about -- we had a land
13 use panel, there was a panel on endangered species, there
14 was a panel on energy.

15 One of the things that the Governors' Association
16 put together was a report on state energy perspectives.

17 And what was interesting is each of the Governors of the
18 Western States put together their own essay to talk about
19 what they're thinking about on energy, and so that was
20 something that I thought was kind of fund. And it's an
21 interesting read for you all, if you're interested in that.

22 Let's see, this was attended at various points.
23 There weren't any -- no one from Washington, Oregon -- none
24 of the Governors from Washington, Oregon, or California,
25 but many of the interior west Governors, Governor Otter

14

1 from Idaho, Governor Mead from Wyoming, Governor
2 Hickenlooper from Colorado, Governor Herbert from Utah, and
3 others were there at the meeting.

4 And folks were really excited to see both
5 Secretary Laird and me there. They were happy to have a
6 little bit of California representation and we were glad to
7 provide that.

8 Another thing that I did was I got to go on a
9 tour of the Sandia Labs. I went there with Rob and so he
10 might have something that he wants to add.

11 But this was really interesting. We had an
12 opportunity to look around the labs and see some of the
13 things that they're working on. They have some advanced
14 engine technologies where they're really trying to look at
15 combustion, and try different fuels, and different ways of
16 combusting them.

17 We only got to see one of the labs, but they have
18 eight or nine where they've got different engines that are
19 combusting different fuels, and just trying to figure out
20 how to make them more efficient.

21 They've got a lot of hydrogen research that's
22 going on and so that was really interesting to see. And
23 there might be some interesting places for us to perhaps
24 partner with Sandia Labs on some of the hydrogen work that
25 we're doing.

1 They were really excited about collaborating and
2 partnership. I think each of the folks that we talked to
3 sort of highlighted that as we went through the lab, so I
4 thought that was great.

5 They've also got some biofuels research going on.

6 And then what was fun about having those two --
7 the labs were in slightly different places on the campus,
8 but because they're co-located sometimes the biofuels folks
9 will take their biofuels over to the engine folks and see
10 what goes on there. So, there were some neat synergies.

11 And kind of one of the things I would have loved
12 to do is like pop my head into everyone's office, hey, what
13 are you working on? Hey, what are you -- because it was
14 just really interesting what was going on there. So, that
15 was a fun opportunity.

16 And then the other thing I wanted to highlight
17 for you is I have working with me, this summer, an intern
18 from the C.K. McClatchy High School for Law and Public --
19 wait a second, let me do it again, C.K. McClatchy High
20 School and Public Policy Academy.

21 She's wrapped up her 11th grade year. She'll be
22 in 12th grade next year. And the internship this summer is
23 part of her schoolwork, so we're going to try to take her
24 around and show her some of the really amazing things that
25 we do here at the Commission.

1 She's in the corner here watching our Business
2 Meeting. And so that's just been -- summer is always fun.
3 So, those are my updates.

4 Oh, Toyota, that's right. So, we went to -- the
5 Chair and I, and also Rob, there was a dialogue with Toyota
6 on hydrogen, over at the Governor's Office. That was a
7 couple of weeks ago, actually right before I went to
8 Western Governors' Association.

9 It was pretty interesting to hear what they are
10 working on in terms of trying to get fuel cells out on the
11 road, and commercialized to thinking about getting the
12 hydrogen fueling stations and infrastructure in place so
13 that when those cars are here, you know, folks know where
14 to go and to fuel them up.

15 And it was pretty interesting dialogue. It was
16 actually at the same time as some of the AB 11
17 reauthorization -- AB 118 reauthorization was moving and so
18 we had folks kind of coming in and out of the conversation
19 a little bit.

20 But it was a nice chance to have a dialogue with
21 some of the industry leaders, with the Governor's Office
22 folks, and other folks around our agencies that are working
23 on these issues.

24 And I don't know if you want to --

25 CHAIRPERSON WEISENMILLER: I was going to say the

1 thing that I thought was interesting was the depth of their
2 commitment to fuel cells. You know, that again, this is a
3 company with 750 engineers working on fuel cell technology.

4 Obviously, they've been a real leader on hybrids.
5 They're sort of down on all-electric, frankly, you know and
6 they -- but they were always pitching the fuel cells as,
7 well, you don't have range anxiety. You don't have, you
8 know, lengthy refueling. You know, so it's sort of
9 standard, from their perspective, for customers.

10 And, you know, they're actually -- I mean they're
11 talking about rolling out something in 2015. I guess
12 they're looking at a -- the *Chronicle* had a story two days
13 ago indicating it was like \$50,000 is what the target price
14 is, which is a substantial decrease from the historic
15 million plus scale for this.

16 And so, but they seem to be really making a
17 strong effort to move this forward, obviously pushing us on
18 a refueling station network.

19 But again, I think it certainly helps in the 118
20 context where the hydrogen has been somewhat controversial,
21 to see a company of that scale really putting its money
22 behind the fuel cells, and having such optimism about the
23 technology.

24 COMMISSIONER MC ALLISTER: All right, I'll just
25 in line here. I'll be brief. I just want to -- I can't

1 let the opportunity go by without mentioning the AB 758
2 workshops that we did across the State the week before
3 last. And we did one in San Francisco, at the PUC. We did
4 another one the next day in Fresno. And one -- that was
5 Monday and Tuesday, and then Friday in Los Angeles, all
6 doing different parts of the Assembly Bill 758 which, as a
7 reminder, is the comprehensive energy efficiency program
8 for existing buildings, which we're currently in the throes
9 of developing an Action Plan for.

10 So, very exciting, potentially humongous impact
11 on the State, a lot of interesting stuff is in the Action
12 Plan now and we got, I think, a lot of good feedback from
13 the stakeholders at each of the workshops. We had a lot of
14 participation about that, roughly half in the rooms, and
15 half online, so a lot of good web interaction.

16 And really the organizing principle has been tell
17 us what you think works. Get the people out there in the
18 world, in the marketplace doing installations, scoping
19 projects, hiring contractors to tell us what is likely
20 going to have the best possibility and probability of
21 working so that we can actually scale up installations.

22 So, the Commission, I think, is in a good
23 position to develop some foundational resources,
24 potentially, and sort of do a bit of a rethink of the
25 existing program landscape.

1 So that we can make recommendations that are
2 actionable, that are modernized, that are sort of aware and
3 take into account the current realities because, you know,
4 we're in 2013 moving -- this is a long-term effort.

5 And taking a look at how we can really marshal
6 market forces to get the contractors more business and help
7 them do good projects that people are happy with both in
8 the residential, and the commercial, and governmental
9 spheres. I mean all of those.

10 So, we're just -- just, I guess, FYI, the
11 schedule now is to take comment. Here in the next few days
12 we'll get much of the public comment, written comments, and
13 then update the -- staff will be updating the draft to move
14 it towards final.

15 And, yeah, so still some lifting to do, but I
16 think it's great to be at a certain milestone in this
17 process.

18 Because it's a -- I think it's a big
19 responsibility for us, has a lot of potential upside for
20 the State. And so, really, we're taking it very, very
21 seriously.

22 And I want to thank staff, Christine Collopy, and
23 Dave Ashuckian, and their teams for pushing this forward.

24 The other thing I wanted to mention is just this
25 week, on Monday, I made a presentation at the Major

1 Economies Forum, which was hosting -- Berkeley Labs was
2 hosting them.

3 And the Major Economies Forum was actually
4 mentioned in the materials associated with President
5 Obama's recent climate speech. And it's the 17 largest
6 economies in the world that are coming together.

7 And then the energy realm, it's a ministerial
8 process, essentially, and in the energy realm the number
9 one priority is existing building upgrades.

10 So, I obviously talked about Assembly Bill 758.
11 Lots of interest, you know, from the UK, from Australia,
12 from the EU, you know, all over about what we're doing and
13 trying -- you know, learning what we're doing. And there's
14 some interesting stuff going on across the world in this
15 realm.

16 So, I think it's sort of an activity whose time
17 has come, in some ways, but also we're all struggling with
18 similar, you know, market barriers and other barriers that
19 sort of inhibit the process and we're trying to figure out
20 how to solve those.

21 So, anyway, it's a good -- it's being -- the
22 chair of this working group, the Major Economies Forum, is
23 a high-level official at DOE, and so it's nice to sort of
24 be working directly with the Federal government to help
25 shape that effort because I think it also could have a big

1 impact beyond California.

2 So, again, it sort of raises the importance of
3 what we're doing here in the State because people across
4 the U.S. and now further afield are looking at what we're
5 doing to try to learn from it.

6 So, again, sort of the leadership roles get --

7 CHAIRPERSON WEISENMILLER: You can --

8 COMMISSIONER MC ALLISTER: Yeah. Oh, my gosh,
9 we've had so many workshops on the IEPR, a very robust
10 record looking at nuclear issues. I can't remember which
11 ones we've had since the last Business Meeting.

12 But we have, actually -- right, we had a joint
13 one with Transportation, which was terrific. And really,
14 all around I've been extremely impressed.

15 Also, the Natural Gas Forecast and, you know, I
16 think all around the workshops have just been really well
17 put together and with excellent stakeholder input, really
18 high-level discussions.

19 Some of them get very specialized but I think
20 we're striking a good balance between not getting overly
21 specialized. I mean remaining accessible but still getting
22 to some of the core issues.

23 And I'll just mention this coming Monday, down in
24 L.A. we're having an infrastructure workshop, which I think
25 is shaping up to be one with quite a bit of gravitas given

1 that the SONGS is now coming back, we know.

2 And the infrastructure questions about, you know,
3 what the grid needs to look like going forward. And I
4 think there's lots of interest, we're going to have a good
5 stakeholder, good public input in that.

6 And many, and representatives -- it's a joint
7 workshop with the PUC so we'll have at least a couple of
8 PUC Commissioners on the dais.

9 And also, Mary Nichols from ARB will be there.
10 So, we're looking forward to a really very substantive
11 discussion on Monday.

12 And I guess the last thing is as I see my plate
13 actually get a little fuller lately, which I mean I'm all
14 for hard work so it's all good.

15 But the Proposition 39 now is moving forward and
16 we -- the way the budget negotiations came out at the end
17 really puts the Energy Commission in lead agency role for
18 developing the guidelines and framing that, getting the
19 process rolling, working across agencies to make sure that
20 the program -- that the funds are -- well, that the
21 projects that are proposed for use of those funds are good
22 projects that are well-scoped, and that the projects are
23 actually done and there's accountability at the school
24 level.

25 But now balance that with sort of process

1 intensity, so make it accessible to schools, particularly
2 the small and medium schools that may not have the
3 resources to really, you know, invest in a very deep sort
4 of investment-grade audit beforehand.

5 So I think working through that with the
6 agencies, the Department of Education, well, there's a
7 number of agencies involved, and together with the
8 Governor's Office.

9 And really we've got to give kudos to Rob, and
10 Drew, and the executive office, and staff in the Special
11 Projects Office and Efficiency and Renewables because
12 they're all working very hard to get this done.

13 A lot of visibility on this so we're trying to
14 move it forward as quickly as possible, get the money out
15 as soon as feasible.

16 And, luckily, the Legislature granted us a
17 guidelines process so it's not the full regs development.
18 So, we want to really utilize that opportunity to get this
19 moved forward quickly so that sometime in the first part of
20 next year we can start giving the green light to get the
21 money out to the schools who need it.

22 So, high priority effort there to, so push some
23 stuff over on the plate so we can fit that on there, but
24 definitely high priority.

25 CHAIRPERSON WEISENMILLER: Yeah, and I was going

1 to say to some extent we've been tag-teaming it between the
2 IEPR, the 758, and I attended at least the San Francisco
3 and L.A. portions, missed Fresno but, you know, certainly
4 had a lot of pieces, and the Prop 39 stuff.

5 And, actually, I think we're all excited that the
6 Legislature had the confidence to give us the Prop 39
7 assignment. Which is all of us who have lived and survived
8 ARRA know that it's not going to be easy, and it's really
9 going to require a lot of attention up front setting it up
10 to make it doable going forward.

11 Also, I was going to say I also have an intern
12 this summer, too, so we're in good shape.

13 COMMISSIONER DOUGLAS: So, I've just got a brief
14 report as well. I've spent quite a bit of time traveling
15 the last couple of weeks on renewable energy and local
16 government planning outreach.

17 I went to Los Angeles County and met with some of
18 their planning staff, and had some meetings in the Antelope
19 Valley, as well.

20 The Antelope Valley is where the utility-scale
21 renewable energy development occurs in Los Angeles County.

22 I also have gone to San Bernardino County, had a
23 brief meeting with some of the Riverside County staff.

24 And went to Imperial County and met not only with
25 the county staff, but also with Imperial Irrigation

1 District staff.

2 Again, kind of really focused on, for most of
3 these counties, the implementation of planning grants that
4 they got from the Energy Commission, all but Riverside got
5 planning grants. So, some of their plans, for how they're
6 thinking about scoping those grants, how they work with the
7 DRECP and will help us coordinate on the DRECP. Those are
8 some of the topics we talked about.

9 I also spent quite a bit of time in Imperial just
10 kind of talking about and learning more about the Salton
11 Sea. It's an issue I've worked on in the past, prior to
12 coming to the Energy Commission and it's very much an issue
13 at the forefront of some of our thinking now.

14 Both because that area is a very good area for
15 renewable energy development and also because of concerns
16 about the impacts of lowering water levels in the Salton
17 Sea and some of the environmental consequences that will
18 come from that in the absence of some expenditures on
19 reducing dust, emissivity from the sea bed, and creating
20 wetlands and other key habitats, and just making sure those
21 habitats aren't lost for migratory birds, in particular.

22 California's lost over 90 percent of its wetlands
23 and the Salton Sea has become, almost by default and
24 certainly not as a result of anyone's plan, a very critical
25 stopping point for birds on the Pacific flyway.

1 So, it was a really interesting, something of a
2 whirlwind sent of tours, but I'm looking forward to
3 continuing to do more of that outreach. I also had an
4 opportunity to participate in the legislative hearing on
5 the Salton Sea that was convened by Senator Hueso through a
6 Select Committee for Energy Independence.

7 CHAIRPERSON WEISENMILLER: Chief Counsel's
8 report.

9 CHIEF COUNSEL LEVY: Good afternoon
10 Commissioners. I have three items for you.

11 First of all, I'd like to publicly congratulate
12 Alana Mathews, formerly from our office, who was recently
13 appointed by the Governor to be the new Public Adviser for
14 the Commission.

15 A huge loss to the Chief Counsel's Office,
16 however, a new, very solid partner for the Energy
17 Commission, and so we're delighted for her achievement and
18 her appointment.

19 The second thing I'd like to do is I'd like to
20 introduce to you our three legal interns who are here this
21 summer that you may be seeing. I'll ask them to stand up.

22 First is Ben Bartlett. Ben is a UC Hastings,
23 College of the Law, a third year this fall. He's on the
24 Dean's List, he's class president. He has a bachelor of
25 arts and government from Colby College, in Maine, where he

1 graduated cum laude.

2 He is currently the Vice-Chair of the Zero Waste
3 Commission in the City of Berkeley. He did an internship
4 at the Air Resources Board.

5 He was field director for Obama for America in
6 Minnesota and North Dakota.

7 And I'm not sure if this is perhaps useful to
8 Lori or Adam, but in a prior life he was casting producer
9 for NBC, where he evaluated contestants for reality TV
10 shows, like Survivor, American Gladiators and Amazing Race.

11 Ben's focus for us so far has been examining the
12 effects of proposed legislation in a variety of trailer
13 bills.

14 Kyle Jones is a Pacific McGeorge School of Law,
15 third year this fall. He's in the top third of his class.
16 He has a bachelor of arts in philosophy, logic and science
17 from Cal State Sacramento, where he graduated cum laude.

18 His professional experience includes as a
19 business manager at Macy's. And community involvement
20 includes service on the campaign of Phil Serna for county
21 supervisor.

22 For us, this summer, he's so far been analyzing a
23 variety of new CEQA cases for our siting staff.

24 And third we have Sophie Tornatore, who's
25 starting her second year this fall at UC Davis King Hall.

1 She is a staff editor of *Environmental Law and*
2 *Policy Journal*. She's got a bachelor in political science
3 and international relations from UC Davis, where she's on
4 the Dean's List.

5 Her professional experience includes political
6 funding with Site Chick HQ and environmental consulting
7 with TSS Consultants.

8 And so far she's been working on litigation
9 research for us, including a variety of points of civil
10 procedure.

11 So, please welcome them to the Commission.

12 COMMISSIONER MC ALLISTER: Thanks a lot Michael,
13 that's terrific.

14 CHAIRPERSON WEISENMILLER: Thank you. Certainly
15 welcome.

16 (Applause)

17 CHIEF COUNSEL LEVY: I'll also, as well, extend
18 my welcome to Arianna Clark, who's Commissioner Scott's
19 intern, who's here as well, who I know through McClatchy.

20 Finally, Commissioners, I'd like to request a
21 brief closed session to discuss whether facts and
22 circumstances exist that may warrant the initiation of
23 litigation.

24 CHAIRPERSON WEISENMILLER: Okay, we'll go take a
25 recess after we do the Items 9 and 10.

1 So, let's go to Executive Director's Report.

2 EXECUTIVE DIRECTOR OGLESBY: Thank you, Mr.
3 Chairman. Let me continue the trend by starting with a
4 couple of introductions and then I want to move to a quick
5 overview of the high points on the State budget.

6 But first, it's my very great pleasure to
7 announce the Governor's appointment of Lori Sinsley as a
8 Deputy Executive Director for Strategic Planning and Media.

9 Lori joins our staff after extensive experience
10 in the private sector, as well as the NGO sector in public
11 relations work and is a great augmentation to our
12 resources. It will help us get the word out of our mission
13 and become more effective in what we do.

14 So, with that I'm very grateful to have her agree
15 to join us in this capacity.

16 (Applause)

17 EXECUTIVE DIRECTOR OGLESBY: I'm equally pleased
18 to announce the appointment of Kourtney Vaccaro as our
19 Assistant Executive Director for Consumer Assistance and
20 Enforcement.

21 Many of you know Kourtney in her previous role.
22 She's been with the Hearing Office of the Energy
23 Commission, where she did a fine job as an attorney.

24 But she also has brought considerable enforcement
25 experience with her. She did enforcement for the Fair

1 Political Practices Commission and also has private sector
2 experience.

3 This position was created with the recognition
4 that we have enforcement activities being undertaken in
5 multiple divisions and some significant augmentations to
6 our duties to enforce, which include oversight
7 responsibilities related to the Renewable Portfolio
8 Standard requirements, which you've recently adopted
9 regulations to implement, in particular, working with the
10 publicly-owned utilities.

11 But we also have existing enforcement duties
12 related to consumer products, which was augmented by recent
13 legislation.

14 And then, of course, we have long-standing
15 compliance obligation oversight for power plants.

16 So, with all of these activities going on in
17 multiple divisions it seemed to make sense to have some
18 central leadership in the Executive Office. And for that
19 I'm grateful that Kourtney has agreed to bring her
20 extensive and very competent background to us and join our
21 team.

22 (Applause)

23 COMMISSIONER MC ALLISTER: Rob, I want to just
24 make a quick comment, as well. I think that was a great
25 call to have a cross-cutting resource to really highlight

1 enforcement as an activity, an autonomous activity that
2 affects across the agency.

3 Also, just want to welcome Kourtney, as well.
4 Because I mean I think we all -- at least the three of us
5 worked with her when she was here before and were very
6 impressed, and happy to have her back, so thanks.

7 EXECUTIVE DIRECTOR OGLESBY: Great, thank you.

8 COMMISSIONER DOUGLAS: I know that Mike has
9 mentioned the Public Adviser, but why don't we do a --

10 EXECUTIVE DIRECTOR OGLESBY: Well, Alana?

11 COMMISSIONER DOUGLAS: Yes.

12 EXECUTIVE DIRECTOR OGLESBY: Well, Mike kind of
13 covered the introduction on that, but now that she's in the
14 room --

15 (Laughter)

16 EXECUTIVE DIRECTOR OGLESBY: Because she was not
17 here when Mike introduced her -- recognized her
18 appointment. But we are also very lucky to have the
19 Governor appoint Alana Mathews to our Public Adviser
20 position.

21 And she's in the room now. If you'd like to
22 stand?

23 (Applause)

24 EXECUTIVE DIRECTOR OGLESBY: Okay, thank you.

25 Let me now, if I can, move on to just a couple of comments

1 on the budget. The last time I appeared before you the
2 budget had yet to be enacted by the Governor. He's now
3 signed the budget and most of the trailer bills. There's a
4 few clean-up items that remain to be taken care of.

5 But I think first and foremost is, I'm happy to
6 announce, is that the current budget supports the EPIC
7 Program, which we're developing and rolling out.

8 So, in this budget we include 58.5 permanent full
9 time positions to support our activity to implement the
10 EPIC Program, which is \$182.4 million in this next fiscal
11 year.

12 I think it's important to recognize that while we
13 are getting this augmentation of staff of over 58
14 positions, it comes with a ramp down of our existing PIER
15 Program. And there's some overlap in the administration of
16 the two programs. The PIER Program still has active work
17 to go out the door and existing contracts to be followed
18 through until their completion.

19 But at the end of the day, the EPIC Program will
20 actually have fewer positions assigned to it than the PIER
21 Program does, so we will actually have a net reduction in
22 staff.

23 But I wanted to mention that because on its face
24 you see this tremendous addition to our program. And we
25 also are, at the same time and as part of this budget,

1 ramping down the PIER Program. And at the end of the day
2 we end up a little leaner than we did when we began.

3 Commissioner McAllister spent some time
4 describing the Prop 39 in the budget and what happened in
5 that, but I guess I would augment that a little bit to say
6 that we also have authority to hire eight folks to help
7 implement that program.

8 Of course, we'll be using some of our existing
9 resources to help support the development of that program
10 and drawing on the expertise from our Efficiency Division
11 as well in developing those guidelines, and then having
12 full time staff to run the program once it's launched.

13 I think it's -- I should also mention that we
14 gained \$28 million to the existing ECAA Program, which is
15 one of our flagship programs. It has a great track record
16 for finding very low-cost loans, so that we have a \$28
17 million infusion for that, as well as part of the budget.

18 I guess in closing -- well, there's one other --
19 I don't want to get too down into the weeds, but I will say
20 that we are re-tasking some surplus funds that were left
21 over from the Petroleum Violation Escrow account, which is
22 to provide \$2.4 million to update our Appliance Efficiency
23 Database, which was sorely needed to deal with our
24 additional duties.

25 So, we're grateful to have that resource to be

1 able to update our capabilities in that area.

2 And, finally, the budget included a \$10 million
3 transfer from ERPA, which is our main fund, to the
4 Treasurer's Office to provide a loan loss reserve fund to
5 support energy efficiency through a PACE Program, which
6 will be under and developed in the Treasurer's Office.

7 So, we're grateful to have -- to see if that seed
8 money can be used to create a successful PACE Program.

9 Thank you.

10 CHAIRPERSON WEISENMILLER: Okay, thank you.

11 Public Adviser's Report.

12 MS. MATHEWS: Good afternoon. So, I understand
13 that traditionally there's not a lot that the Public
14 Adviser reports on.

15 However, I would like to use this opportunity to
16 highlight what the Commission is doing to make our process
17 more accessible to the public.

18 So, I don't have a lot, but I do know in the week
19 that I've been in my position I have seen more robust
20 efforts to reach out to members of the public in different
21 languages that the Commission has been doing. And I think
22 it's worth mentioning that and the Public Adviser's Office
23 is happy to support that. And that's it.

24 CHAIRPERSON WEISENMILLER: Thank you.

25 Is there any public comment?

1 Okay, so we will recess now to Closed Session.
2 (Recess into Closed Session at 2:18 p.m.)
3 (Reconvene Public Session at 2:24 p.m.)
4 CHAIRPERSON WEISENMILLER: We are adjourned.
5 (Whereupon, at 2:24 p.m., the Business
6 Meeting was adjourned.)

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