DRAFT SACCWIS Meeting Minutes
July 5, 2011

-Introductions
-Overview of Agenda
-April 8 minutes approved
-Action Item – DWP’s request for change to implementation schedule
  -Dominic Gregorio presentation
    -Board considered amendment, but tabled it pending a recommendation from SACCWIS
    -Summarized proposed OTC policy amendment
    -public comment deadline today
    -Interim requirements
-Jonathan Bishop presentation
  -Summarized proposed resolution
  -SACCWIS to make a recommendation to State Board
  -Unit by unit compliance is better approach than grouping them
  -ask for additional information if it is needed
-IAWG presentation (See slides)
  -information from reviewing plan
  -limited time to review
  -review of state energy policy
    -SB1368 (2006)
    -CA Clean Energy Future (Sept 2010)
    -AB32 Scoping plan
    -Governor Brown Jobs/Energy plan
    -SB1x-2 (2011) codifies 33% renewables by 2020
-LADWP implementation plan
  -Harbor 5-6 are required to accelerate repowering by SCAQMD
  -backout of coal power pursued
  -"rate shock" is an issue (want to avoid)
  -repowering schedule for other LADWP units are substantially delayed
  -analysis of LADWP plan (see slides)
-Conclusion
  -LADWP plan still under development
  -many uncertainties
  -have not demonstrated need to make changes
  -other options to large-scale powerplants and they need to be considered.
-LADWP Presentation
  -reduced # of units expect to eliminate another 3
  -LA required to provide contingency and replacement reserves
  -LA does not have excess reserve capacity on its system
  -no corridors for overhead transmission
- amendment cannot be considered in isolation
  - have to work with other regulatory mandates and initiatives.
- increase demand for electric power
- slides Timeframe 2014-2020
- amendment ensures local and system reliability
- eventually all LA plants will be off OTC

-Discussion
- Oglesby: need additional work to address uncertainties
- LADWP: working on cooperative solutions
- Millar: close gap between available information and presentation
- LADWP: type of technology when going through replacement, demonstrated capabilities for some, don’t know type of cooling tower-some still needs to be analyzed.
- Millar: concern about reliability in between shut down and reliability of new
- LADWP: dovetailing of schedule, see executive summary 6 and 7
- Millar: important to understand what drives some delays
- Corey: CHP energy efficiency
- LADWP: goal 10% by 2016, depend on funding depend on DG.
  Capacity and backup reserves.
    - goal: energy available where and when needed.
    - maintain equipment and contingencies
- Fitch: Can CEQA permitting, planning be done in conjunction?
- LADWP: cannot order equipment until CEQA approved, need to start construction within five years

- Sean Backwell?
  Coast Keeper
  - concerns to proposal
  - need further details on grid reliability, wants postponement
  - fails to consider other options
  - cost should not be an issue for SACCWIS-just grid reliability

- David Nelson
  - Coastal Alliance on Plant Expansion
  - echo coast keeper’s comments
  - facts don’t uphold extra 2 decades of OTC
  - Morro Bays was done 7 years ago by CEC
  - If make exceptions for LADWP make it only to them.
  - Morro Bay has taken 12 years now want to extend further.

- Angela Kelly-NRDC
  - submitted letter on Friday
  - p17 cost is not a factor in feasibility
  - charge of SACCWIS
  - Sec3a)1)
    - realistic schedules, as short as possible.
    - LADWP does not address this
-too many “To be determined” statements
-detailed unit by unit analysis is needed to determine if extension is warranted.
-2nd number 4 clause should be adopted
-1st clause of 4 is contradictory
-delete clause number 5

-Sean Beatty –GenOn
-Operates power plants
-language in proposed amendment a concern
-asked for Track 2 compliance schedule
-is too specific to LADWP
-OTC would still occur at his plants after 2020
-treat us fairly – hope it does not affect those other than LADWP
-Just use table of extensions not language.

-Julie Gill - Southland
--concern w/ section C of proposed language
-supports extension of time

-Oglesby: -dilemma, uncertainty of market
-skepticism of others
-difficult to make decisions through 2025 without a snapshot
-5 year review allows for progress to be made and further analytical work
-IWG frustrated with lack of info
-recommend Water Board require an update on implementation plan

-Millar: -plan put forward would be reliable
-do reliability concerns necessitate additional 15 years?
-case can be made but have to consider IAWG concerns

-Fitch: -need really strong justification
-challenges mentioned by LADWP same as other face.
-updated plan sooner rather than approve 15 year extension.
-how to implement in the fastest feasible way

-Oggins: -too soon to be asking for extensions
-support IAWG recommendation

-Corey: -if strike first number for and the
-Millar: -update by LADWP by year end.
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-IWG – 4a is an accurate statement.
-4b needs to be more clear.

-SACCWIS revised language of proposed resolution (see final edits)

-1 opposed (Oglesby) rest in favor

-Jon Bishop will present item to the Board at the July 19 meeting
-Dominic: update on Merchant Generator Implementation plans
-see slides
-24 of 25 units will meet deadlines
-11 requested extensions

Public comments
- David Nelson (CAPE)
  - lacks substance – Morro Bay timeline example
  - sucks all water through one unit.

- Adjourn