

PUBLIC HEARING
STATE OF CALIFORNIA
NATURAL RESOURCES AGENCY

In the Matter of:)
)
PROPOSED CEQA GUIDELINE)
AMENDMENTS FOR GREENHOUSE)
GAS EMISSIONS(SB 97))
_____)

RONALD REAGAN STATE BUILDING
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JAMES F. PETERS, CSR, RPR
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APPEARANCES

PANEL

Mr. Kirk Miller, General Counsel

Mr. Chris Calfee, Special Counsel

Mr. Ian Peterson, Assistant Planner, Office of Planning
and Research

ALSO PRESENT

Ms. Hilda Geese

Ms. Sandra Genis, Planning Resources

Mr. Patrick Griffith, California Wastewater Climate Change
Working Group

Ms. Jocelyn Thompson, Alston & Bird

Mr. Victor Yamada, Southern California Edison

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1 PROCEEDINGS

2 GENERAL COUNSEL MILLER: Good afternoon, ladies
3 and gentlemen. Thank you for coming. My name is Kirk
4 Miller. I'm General Counsel at the California Natural
5 Resources Agency, and I just have a few thoughts as we
6 move into this meeting.

7 This is the second such public forum we have
8 held. The first one was earlier this week in Sacramento.
9 It was so well received there, I see that we have some
10 repeat attenders for the meeting down here, so, you know,
11 that it's going to be very special.

12 The guidelines that are the subject of this
13 meeting were developed initially by the Governor's Office
14 of Planning and Research. We worked very closely with
15 that office in the development of these guidelines. I
16 would just like to acknowledge Terry Roberts, who's in
17 back, who led that effort for OPR for approximately the
18 past 12 months or so prior to the guidelines coming over
19 to Resources.

20 OPR was diligent in getting broad-scale public
21 input along the way. It was more informal than our own,
22 which follows the rule-making procedure, but also involved
23 public hearings, and publication of draft guidelines along
24 the way. These final guidelines were final -- subject to
25 public input were published on July 3rd and are the

1 subject of today's meeting.

2 The CEQA guidelines are part of the Governor's
3 coordinated policy effort to reduce greenhouse gas
4 emissions. They're the first of their type, and they're
5 intended to provide input into that reduction at all
6 levels of government. Obviously, these will be
7 implemented at the local government level.

8 As you read and comment and think about them, do
9 remember that this is essentially CEQA greenhouse gas
10 guidelines 1.0. That's true for a couple of reasons.
11 One, is it that it's the first effort, and there's not
12 perhaps quite as much science to date as we would like in
13 attacking this problem.

14 And two, the law itself contemplates that we will
15 be revisiting all our guidelines, including these every
16 two years.

17 We very much thank you for coming today to offer
18 your thoughts about them, as well as those -- either
19 perhaps some of you here or others who have submitted
20 written comments already. And there is still an
21 opportunity to do that through the end of next week.

22 With that thought, let me introduce Chris Calfee.
23 Chris is Special Counsel to the Resources Agency, and has
24 had particular responsibility for preparing these
25 guidelines with OPR. And Ian Peterson who is a planner

1 has also been instrumental in developing the rules that
2 you'll be commenting on today.

3 Thank you.

4 SPECIAL COUNSEL CALFEE: Thank you, Kirk.

5 Welcome, everyone. Thank you for coming here to our
6 second hearing. Again, this is the hearing on the Natural
7 Resources Agency's SB 97 CEQA guidelines. If you're here
8 for another hearing, find that other hearing.

9 You probably notice near the back entrance there
10 are speaker cards and comment cards. If you do intend to
11 speak, please do fill out a speaker card and give that
12 card to Ian Peterson, he will be calling the speakers up
13 later on in this hearing.

14 The purpose of today's hearing really is to hear
15 your verbal comments on these guidelines. The Resources
16 Agency published these draft guidelines on July 3rd and
17 we've been in a public comment period since that time. As
18 Kirk mentioned, the comment period has been extended to
19 next week. Next week tomorrow, so that's -- not tomorrow.
20 A week from today. So August 27th is the comment
21 deadline.

22 But this hearing is everyone's opportunity to
23 give a verbal comment on these guidelines. Just a few
24 words on the Resources Agency's rule-making process. Once
25 the comment period closes, the Resources Agency will

1 review and consider all of the comments that have been
2 received, so that's written comments, and all comments
3 made at today's hearing and the hearing in Sacramento on
4 Tuesday.

5 After reviewing and considering those comments,
6 the Resources Agency will develop responses. And those
7 responses could either be revisions to the proposed
8 language or an explanation of why the revision wouldn't be
9 appropriate.

10 If the proposed guidelines language is revised,
11 that revision will be made public for additional review
12 and public comment. At the end of that process, once all
13 comments are considered and responded to, the Secretary
14 for the Resources Agency will consider whether to adopt
15 the guidelines as proposed.

16 On the procedure for today's hearing, again, if
17 you could give your speaker cards to Ian Peterson, he will
18 be calling up speakers in the order received. Because the
19 Resources Agency will be developing written responses to
20 comments, we won't be providing responses in this forum,
21 so we really won't be able to provide immediate feedback
22 or answer questions in this forum, but do look out for
23 them in the Final Statement of Reasons.

24 We might ask you clarifying questions, however,
25 just to make sure that we fully understand your comment.

1 In order to accommodate everyone, which I do believe we'll
2 be able to do today, we will impose a five minute time
3 limit. But if after everyone's had a chance to speak, if
4 you still have more you would like to say, there will be
5 an additional opportunity.

6 And again, the comment period has been extended
7 to next week, so you can also supplement with written
8 comments.

9 Just a few housekeeping matters, the restrooms
10 are back into the lobby and on the -- near the elevators
11 on that side of the building. Emergency exits are right
12 behind you and to your left.

13 If you would, take a moment right now to mute or
14 turn off your cell phones, that would be appreciated. Are
15 there any questions on the process or procedure for
16 today's hearing?

17 I think Kirk has something he would like to say.

18 GENERAL COUNSEL MILLER: I just want to be sure
19 that everyone is able to hear throughout the room, is that
20 the case?

21 And if there should be a problem hearing the
22 speakers, if you'd let us know, we'll turn the volume up
23 so that you're not frustrated by straining to hear someone
24 speak.

25 ASSISTANT PLANNER PETERSON: Well, I think with

1 that, if you have any speaker cards, please pass them to
2 the left and I will collect them right down here. And I
3 think we can open it up for public comment.

4 Don't be shy. Well, I think we did have one
5 person beat you.

6 I believe it is Sandra?

7 MS. THOMPSON: No, but Sandra can go first if she
8 wants to.

9 ASSISTANT PLANNER PETERSON: And please announce
10 your name and the organization you're with.

11 MS. GENIS: Sandra Genis. I am an independent
12 planning consultant, Sandra Genis, Planning Resources.
13 I'm also on the Board of a number of environmental
14 nonprofit groups.

15 We have to look at what the bill requires. The
16 bill directs OPR to develop mitigations for the -- or
17 greenhouse gases and the effects of greenhouse gases. You
18 were directed to develop methodologies or set standards or
19 develop thresholds or whatever.

20 And in that regard, these guidelines are somewhat
21 disappointing. For one thing, we're not seeing any of the
22 effects of greenhouse gases. For example, rising sea
23 level; how do you place your structures; what about
24 coastal armature; increased flood peaks; once again,
25 placement of structures, do we need additional flood

1 control methods; reduced availability of waters.

2 I've seen EIRs where they say, yeah, you know,
3 we're going to -- they do a great analysis of greenhouse
4 gases being generated, and then the next section acts like
5 we're going to have the same old water supply we
6 anticipated, you know, in 2002.

7 Another major factor is stress on habitat, in
8 particular areas for retreat of habitat as the existing
9 habitat becomes flooded whether the rising sea level or
10 flooding.

11 Within that, there are other changes that seem to
12 go beyond. For one thing, the additional plans that were
13 suggested as being used in cumulative impact analysis,
14 there's -- I find annoyingly redundant, the blue print
15 plans.

16 Well, if you look in the codes, Health and Safety
17 Code, in one place, says well, the regional blueprint plan
18 is whatever California Department of Business, Housing,
19 and Finance says it is.

20 And then there's a couple of other definitions
21 where they say, well, it includes RTP, it includes
22 regional housing, but it's kind of vague and amorphous.
23 There are no standards for adoption of the plans really.
24 It's too ooey.

25 And the same thing applies to the greenhouse

1 plans that are detailed in the proposed guidelines.
2 However, they say they may include certain things and they
3 may be adopted in a public hearing. But on the other
4 hand, they may not be. They may be adopted in a smoke
5 filled tent by a couple of guys. They may be adopted and
6 put together by the summer intern that you'll never see
7 again and has only had two years of college.

8 And then going on, I think certain parts of the
9 checklist were very helpful, the proposed changes. And I
10 particularly liked the first paragraph, because I do see
11 an awful lot of EIRs where people say, "That's the State
12 standard for significance," when we know it's not.

13 So that was very helpful to have that
14 clarification. However, I have particular concerns about
15 the checklist changes in the area of transportation. I
16 suggest that you consult with CalTrans on that, because
17 they don't seem to reflect a real transportation,
18 planning, or traffic engineering viewpoint.

19 And they also -- as the first one has changed,
20 we're looking at merely a -- anything that goes over
21 capacity. But as we know, in CEQA, everything is
22 incremental. There's case law up the yin yang, San
23 Francisco Residence for Responsible Growth, Kings county
24 and whatnot. And this says it's not significant till you
25 are at that environmental point of no return. And as we

1 know, if we wait till then, we're going to have, as they
2 say, havoc in every aspect of the urban environment.
3 So we really need to maintain the existing standards where
4 each incremental change does its fare share, because
5 otherwise what happens is everybody needs to do their fair
6 share, and then it's done as opposed to waiting till the
7 end.

8 And as we know, all mitigation must be
9 proportional to the impact. So if you're the straw that
10 breaks the camel's back, it's only one straw, so how could
11 you be expected to mitigate the entire problem. So that
12 particular guideline should not be changed.

13 And I also would suggest that you not change the
14 guidelines regarding in the checklist regarding parking.
15 Because while I was able to take the metro rail here, I
16 took the blue line and the red line or whatever it's
17 called, light rail. Most areas of California you can't do
18 that.

19 ASSISTANT PLANNER PETERSON: I apologize, you
20 have about one minute.

21 MS. GENIS: And so eliminating that, number one,
22 I know these are just suggested checklists, but they do
23 carry a certain degree of weight. And by eliminating
24 that, you're kind of taking it off the table. And I see
25 that as problematic, because that is -- anybody who has

1 worked in a city planning department knows, that that
2 parking is warned that it's one of the biggest issues.
3 And so to really eliminate that doesn't make sense.

4 And in addition, you're probably going to
5 increase your greenhouse gases, while people just cruise
6 around looking for parking. So that's a problem.

7 I do agree with the other addition where a
8 threshold developed by others can be used, if they're
9 supported by evidence in the record. And that's so
10 important, because I see thresholds all over the place and
11 it's just cause all the other kids are doing it, but
12 there's no real evidence in the record.

13 So thank you for that.

14 Thank you.

15 ASSISTANT PLANNER PETERSON: Thank you. And I
16 think we have four comment cards. If anyone else who's
17 come in late -- we will check the mike, because it may not
18 have been turned on.

19 But if there's any other late comers who would
20 like to submit some comments, we also have comment sheet
21 cards you can fill out. Those will do just as well.

22 I guess the mike wasn't turned on.

23 GENERAL COUNSEL MILLER: I assume this makes a
24 difference? It is in the on position now.

25 MS. GENIS: Oh, it wasn't?

1 GENERAL COUNSEL MILLER: Can you hear better in
2 the back now?

3 Thank you.

4 ASSISTANT PLANNER PETERSON: Also, if you have
5 additional comments, because we cut you off at five
6 minutes, I think we can have an extra two minutes after
7 we're done with the cards. We may be able to fit you in.

8 So if I'm not mistaken it should be Jocelyn
9 Thompson, Alston and Bird.

10 MS. THOMPSON: Yes. Thank you, Jocelyn Thompson,
11 Alston & Bird.

12 First, I want to thank the Resources Agency, as
13 well as OPR, which I know started this effort. I
14 appreciate the fact that the proposed guidelines
15 acknowledge the discretion that remains with the lead
16 agencies. These are guidelines rather than mandates, and
17 they are urging the lead agencies to fulfill their
18 responsibilities without handcuffing them a certain way.
19 I think that's appropriate and consistent with CEQA.

20 So that's my overall comment.

21 And then I have questions on three of the
22 changes. They aren't necessarily greenhouse gas specific.
23 They seem to be ones that are a little bit broader than
24 that, though I'm sure they have implications for the
25 climate change as well.

1 The first is in 15064.7, thresholds of
2 significance. And actually this is the topic that the
3 last speaker ended with, which is one lead agency relying
4 on or -- what does it specifically say? "Considering
5 thresholds adopted by another agency," so long as it's
6 supported by -- so long as their decision is supported by
7 substantial evidence. And that decision appears to be the
8 decision of the lead agency.

9 I'm not clear what you're saying. Are you saying
10 that the lead agency needs to document why it's relying on
11 someone else's standard? For example, a county considers
12 the Air Resources Board to be expert in a particular
13 topic, and therefore that is why it is relying on the
14 standard? Or are you saying that the lead agency needs to
15 seek out all of the substantial evidence that's supported
16 the expert agency's decision? Okay, it's not clear to me
17 which way that's going.

18 One could be efficient and I think rational and
19 the other could be really burdensome, not only with
20 climate change standards, but with all other standards
21 that might work that way.

22 My second question comes out of 15093, Statement
23 of Overriding Considerations, Subsection D, "When an
24 agency makes a Statement of Overriding Considerations, the
25 agency may consider adverse environmental effects in the

1 context of regionwide or statewide environmental
2 benefits."

3 I don't know why this is being proposed. I don't
4 know what we're trying to fix or what we're trying to add
5 that's not already here. In A, they already say that the
6 override is a balancing of a whole bunch of factors,
7 including ones that aren't even named. Any other benefits
8 can balance up against the environmental impacts as well.

9 Whereas, in D, we seem to be narrowing things.
10 We're saying you have an adverse environmental effect and
11 can you balance it against a regionwide or statewide
12 environmental benefit. Well, there can be regionwide and
13 statewide non-environmental benefits that are important,
14 so it shouldn't just be limited to environmental benefits.

15 And in addition, I'm not sure why we're speaking
16 regionwide and statewide. I think that already goes
17 without saying that you can balance any number of things,
18 and there could be cross-border benefits that could be
19 taken into account and justify an override as well. I
20 don't think CEQA has precluded that in the past. So I
21 think this is a subsection, I can't figure out its
22 mission, and it seems to be limiting more than helping or
23 guiding.

24 My last question comes out of Appendix F, the
25 Energy Conservation Appendix. This appendix is basically

1 telling people, and always has been, that you need to go
2 out and consider whether this is an efficiently designed
3 project, so it uses as little energy as is cost effective
4 and appropriate for that type of project, or that specific
5 project.

6 And then we have this sentence tagged on, "A lead
7 agency may consider the extent to which an energy source
8 serving the project has already undergone environmental
9 review that adequately analyzed and mitigated the effects
10 of energy production."

11 That's a completely different question. It's
12 something completely different than what this appendix has
13 been aimed at in the past. So, for example, it doesn't
14 matter that the new powerplant is the best that you could
15 possibly build and has mitigated a hundred percent.
16 That's good, but that doesn't tell us whether the new
17 proposed project is designed from an environmentally --
18 I'm sorry, energy efficient perspective, because you want
19 to make sure that each project is well designed, so that
20 it draws as little as possible from that well-designed,
21 well-mitigated powerplant, so that we can accommodate more
22 growth, more activity, in an environmentally sound manner.
23 So I think this is misplaced.

24 And that's the end of my comments.

25 ASSISTANT PLANNER PETERSON: Thank you very much.

1 Patrick Griffith, Los Angeles County Sanitation
2 District.

3 Pat Griffith, Los Angeles County Sanitation
4 Districts.

5 MR. GRIFFITH: I'll introduce myself.

6 Yeah. Good afternoon. My name is Patrick
7 Griffith and I work for L.A. County Sanitation Districts.
8 And today I'm speaking on another alphabet soup, which is
9 the California Wastewater Climate Change Group. And that
10 group is a State coalition of wastewater treatment
11 agencies that treat about 90 percent of the state's
12 wastewater, municipal wastewater, in California.

13 And we just want to highlight one of our concerns
14 with the -- I guess, with the whole process. It's more
15 than just the work that you are doing with regards to CEQA
16 and climate change.

17 And we feel that any greenhouse gas proposal, be
18 it a regulation or what you're doing with CEQA, should
19 distinguish between anthropogenic emissions versus those
20 emissions that are derived from activities that mimic the
21 short-term carbon cycle. So for example, direct carbon
22 dioxide emissions from renewable fuels or biomass, biogas
23 and carbon dioxide from municipal wastewater treatment
24 plants are all recognized by the IPCC and EPA as being
25 part of the short-term carbon cycle. And again, I'm only

1 talking about the CO2 part of it.

2 And we are concerned that from what we've been
3 watching with the CEQA significant thresholds that are in
4 the process of being developed, and some that have been
5 approved, by different air district boards, et cetera,
6 that there's no distinction being made between use of
7 fossil fuel versus the use of a carbon neutral fuel, when
8 you're comparing your emissions to some bright line
9 threshold for example.

10 And our concern is that if there's no distinction
11 made between these two, then the combustion of a renewable
12 fuel could falsely trigger a determination of
13 significance. And I don't know if that's really your
14 intent or not. And we feel that to discourage the use of
15 renewable fuels in that way is akin to reversing all the
16 energies that the State and federal initiatives are doing
17 to promote green energy and the green economy and to
18 reduce greenhouse gases, because these renewables are
19 meant to replace a lot of fossil fuels that are in use
20 today.

21 And just reading in the CEQA guidelines, it seems
22 that lead agencies must reach a significance determination
23 if the incremental emissions or contributions are
24 cumulatively considerable. But in the case of these
25 renewables, the CO2 part of it doesn't change. The

1 atmospheric -- well, what's happening is it takes CO2 from
2 the atmosphere and it gets pulled in by some plants or
3 algae or whatever, and then it gets utilized somehow. And
4 then that same carbon is returned back to the atmosphere.
5 So there's no direct physical change to the atmosphere.
6 The net change is zero.

7 So we ask the Resources Agency to advise lead
8 agencies when considering cumulative impacts that carbon
9 dioxide emissions, derived from renewable fuels and
10 biomass and biogas, and such carbon emitted from other
11 sources that mimic the short-term carbon cycle that is in
12 nature, that these be considered not cumulatively
13 considerable under CEQA.

14 And moreover, we ask that the Resources Agency
15 should advise that these emissions are not -- should not
16 be considered in any bright line significance threshold.
17 And we will follow up my statements with a letter that
18 will be explaining in a few more details.

19 Thank you.

20 ASSISTANT PLANNER PETERSON: Thank you. We look
21 forward to your letter.

22 I think that's all the speaker cards that we
23 have, unless there was -- do we have another one?

24 Any other speaker cards?

25 MR. YAMADA: I gave you my card from Southern

1 California Edison.

2 ASSISTANT PLANNER PETERSON: It somehow
3 disappeared. I apologize. Come on up. Thank you.

4 MR. YAMADA: Thank you. Victor Yamada with
5 Southern California Edison.

6 To start off with, Southern California Edison,
7 along with San Diego Gas and Electric, Pacific Gas and
8 Electric and Independent Energy Producers Association
9 provided previously consistent comments to the Agency.
10 And these were submitted on January 27th.

11 Take a quick note that the three utilities
12 represented serve approximately 70 percent of the
13 electrical customers in California. So we therefore play
14 an integral role in California's energy and low carbon
15 future.

16 Let me just take a few minutes to highlight our
17 previously submitted comments.

18 As an overview, we appreciate the importance of
19 California's greenhouse gas reduction goals, as written in
20 AB 32, and in the subsequent AB 32 CARB scoping plan. Of
21 note, the scoping plan includes GHG reduction measures
22 shown in a cumulative net reduction from baseline year for
23 the electricity sector. We also appreciate that
24 California law SB 97 now requires lead agencies to
25 consider greenhouse gas emissions under CEQA.

1 We pointed out that the electricity sector is a
2 unique one. The electricity sector's operations of the
3 entire grid, as a whole, and its policy compliance
4 directly govern what the cumulative GHG emissions are.

5 Also, the electricity sector's operations must be
6 consistent with regulatory regimes that exist or will
7 exist in the future. A key example is compliance with GHG
8 implementation measures as they're included in the AB 32
9 scoping plan and as that's carried forward to regulations.

10 We've submitted some changes to the proposed
11 guideline amendments that we feel will be more explicitly
12 appropriate to take into account the need to analyze the
13 effects of the electricity sector projects in the context
14 of dynamics of the whole electricity system.

15 Let me expand on three points. Number one,
16 the -- as I touched on before, the electricity sector
17 development poses a unique challenge. The electric grid
18 operates as a single machine that's coordinated by system
19 operators in real time. The system is dispatched, meaning
20 that it's ordered to operate by a system operator by a
21 State system operator to meet consumer demand as a whole.

22 That dispatch is what governs the operation of
23 the individual powerplants and in turn governs the amount
24 of greenhouse gas emissions that are associated with the
25 operation of the electric grid. When the individual

1 generating units don't operate, there's obviously a
2 reduction in GHG emissions.

3 Another subpoint, generally powerplants are
4 dispatched based on their efficiencies. More efficient
5 units typically have lower costs, lower emissions, and
6 thus are run more often.

7 A majority, if not all, of the new projects that
8 are being proposed today, with Best Available Control
9 Technologies, would be placed in service with the
10 understanding that they would displace less efficient
11 higher emitting powerplants in the dispatch order.

12 Another subpoint, policy planning plays an
13 integral role in the amount of GHGs that are emitted
14 during the operation of the electricity grid. The system
15 operates according to a well defined and mandated state
16 loading order. The order was created by the California
17 Energy Action Plan and it guides procurement of
18 electricity by the utilities.

19 The objectives of the order are to ensure that
20 the State's electrical system is developed in a cost
21 effective manner and in the interest of the consumers and
22 the environment.

23 The priorities that are established in the
24 loading order are, first, energy efficiency and other
25 demand-sided resources followed by renewable energy,

1 distributed generation, combined heat and power systems,
2 and finally conventional generation.

3 Implementation of the State's loading order will
4 lead to a substantial systemwide reduction in GHG
5 emissions. Analyses have been undertaken and referred to
6 in the CPUC and the CEC's final recommendations to the
7 CARB, to the Air Resources Board, on GHG regulatory
8 strategies to demonstrate that there will be substantial
9 cumulative reductions in GHG emissions by 2020.

10 ASSISTANT PLANNER PETERSON: You have about one
11 minute.

12 MR. YAMADA: I'm sorry, one minute?

13 ASSISTANT PLANNER PETERSON: Yes.

14 MR. YAMADA: As the State pursues more aggressive
15 renewable energy goals, renewable powerplants are being
16 proposed in significant numbers.

17 To support these renewables to some of these,
18 many of these are remotely located and have variable
19 operating characteristics, such as wind and solar. The
20 State will require, what are called, dispatchable units,
21 which are relatively clean fossil generators that support
22 flexible combined cycle and peaking units.

23 The need for these flexible clean fossil
24 generating units are therefore directly linked to the
25 State's implementation of the aggressive GHG goal to the

1 expansion of clean renewable generation. These gas units
2 are crucial to ensure grid reliability as the State brings
3 on more of these renewable activities.

4 Again, importantly both the new relatively clean
5 gas-fired units, and renewable facilities collectively
6 will displace the emissions of existing powerplants,
7 resulting in a net overall reduction in GHG emissions
8 associated with the operation of their electrical system
9 in California.

10 In the --

11 ASSISTANT PLANNER PETERSON: I apologize for
12 that. You need to wrap up.

13 MR. YAMADA: -- we can't afford by a lead agency
14 when they need to evaluate these systems.

15 ASSISTANT PLANNER PETERSON: I just like to be
16 consistent up here.

17 MR. YAMADA: Yes.

18 ASSISTANT PLANNER PETERSON: If there aren't any
19 other speakers, we could go for another minute.

20 GENERAL COUNSEL MILLER: I think we can
21 accommodate him.

22 MR. YAMADA: Otherwise, I'll come back.

23 GENERAL COUNSEL MILLER: Go ahead.

24 MR. YAMADA: Let me repeat my last sentence.

25 These system aspects must be accounted for by lead

1 agencies when they value these facilities.

2 My second large point, the need to analyze system
3 GHG emissions the lead agencies must fully inform the
4 public.

5 Our primary concern with the proposed guideline
6 amendments, as they're put on the paper now, is the need
7 to clearly provide for analysis of GHG emissions from new
8 projects in the electrical sector in the context of the
9 entire electricity system.

10 The amendment should be clarified to the lead
11 agencies to consider a project's impact and accommodation
12 with past, present or future projects and activities. Our
13 position is consistent with the fact that GHG emissions
14 should be evaluated in the context of cumulative effects.

15 My last major point, the SB 97 amendments could
16 be counterproductive by frustrating the State's renewable
17 portfolio standard. We're concerned that lead agencies
18 could incorrectly believe that they must provide
19 mitigation on projects that are, in fact, having a
20 significant benefit to the system from a GHG perspective.

21 For example, as I touched on before, these
22 dispatchable generating units designed to serve the peak
23 load in conjunction with the variable renewable resources,
24 are needed to maintain the overall electricity grid
25 reliability.

1 If these plants aren't analyzed in the context of
2 the total system situation, they could be considered as
3 incremental increasing emissions.

4 To conclude, as I said before, we've submitted
5 previous specific changes that we suggest to the Agency.
6 And again, these are geared for accommodating analysis of
7 GHG emissions on a systemic non-incremental basis.

8 And again, we also thank the Resources Agency and
9 the Office of Planning and Research for all the hard work
10 and what you'll be doing in the future.

11 Thanks.

12 GENERAL COUNSEL MILLER: Thank you. If I could
13 follow up with a question.

14 MR. YAMADA: Sure.

15 GENERAL COUNSEL MILLER: I understand that you
16 have submitted specific language. It may be difficult for
17 you to speak off the top of your head to a technical
18 submission. But if you're able to do so, could you
19 comment more specifically on the change you would seek
20 that you believe would better accommodate the argument
21 that you would like to be in a position to make two local
22 agencies in connection with the consideration of new
23 powerplants of the type you've described.

24 MR. YAMADA: It is a difficult refinement. I'm
25 going to beg off, because we are considering -- as you

1 might know, considering an additional set of comments to
2 speak exactly to that.

3 I think the language that you have presently
4 proposed is -- we think somewhat addresses it, but we
5 think there is refinement that could be more appropriate
6 as there's more explicit guidance on the topics that I've
7 touched on.

8 So I'm not dodging the question. I can't answer
9 that. But it's a good point that we're -- we, as a group,
10 are collecting our thoughts and we'll submit that within
11 the next few days.

12 SPECIAL COUNSEL CALFEE: Thank you for your
13 comments.

14 Is there anyone else who has not yet had a chance
15 to speak that would like to do so?

16 Is there anyone else who feels that they have
17 additional comments beyond the five minutes that they were
18 given that would like to continue to make comments?

19 There are a lot of people in this room.

20 (Laughter.)

21 SPECIAL COUNSEL CALFEE: None of you have --

22 MS. GENIS: May I add one thing?

23 SPECIAL COUNSEL CALFEE: And when you come up,
24 could you identify yourself again.

25 MS. GENIS: Sandra Genis. In view of the fact

1 that SB 97 directs OPR to develop guidelines for the
2 mitigation of greenhouse gases and the effects of
3 greenhouse gases -- I talked about some of those
4 previously, rising sea level issues, placement of
5 structures, coastal armature, affects of sand and erosion,
6 and we need to buffer habitats and so forth. But as long
7 as we have -- I looked at the list. We have a lot of
8 people who are experts here, who probably could provide
9 some good ideas as to how to mitigate some of those
10 things, lack of water, reduced snowpack, increased peak
11 flooding.

12 And so I bet even people who didn't provide
13 written comments that didn't think of speaking, maybe
14 could use as sort of a workshop format, not to hijack the
15 meeting, but to come up with some of these mitigations.

16 MR. GRIFFITH: Can I ask a question of your
17 speaker?

18 THE REPORTER: Can he come forward?

19 MR. GRIFFITH: Did you mean adaptations or --

20 MS. GENIS: Well, if you read the law --

21 SPECIAL COUNSEL CALFEE: Actually, I'm sorry --

22 MR. GRIFFITH: I'm out of order?

23 SPECIAL COUNSEL CALFEE: A little bit. A few
24 people did enter the room, and I do want to give them the
25 chance to speak if they choose.

1 Is there anyone else who would like a chance to
2 speak?

3 Seeing none, I do want to remind everyone that
4 our comment -- our written comment period does close next
5 week on August 27th. If there's anyone here that would
6 like to provide comments, there are comment cards
7 available where you can write out your comments.

8 MS. GEESE: Excuse me, will you have those on
9 your website --

10 THE REPORTER: Can she identify and come forward.

11 MS. GEESE: -- at the end or at anytime at all
12 the comments.

13 THE REPORTER: Can she identify and come forward.

14 SPECIAL COUNSEL CALFEE: Would you mind
15 identifying yourself.

16 MS. GEESE: No, I was just asking with -- my
17 questions was --

18 SPECIAL COUNSEL CALFEE: Can you please identify
19 yourself.

20 MS. GEESE: Hilda Geese. Just a citizen.

21 Will these comments be at any time on your
22 website?

23 SPECIAL COUNSEL CALFEE: Following the close of
24 the comment period, we will post comments.

25 MS. GEESE: Okay, thanks.

1 MS. MASON: The answer to that question was yes,
2 they'll be posted on the website, the comments or --

3 SPECIAL COUNSEL CALFEE: That is correct. For
4 those who didn't hear, we will post the comments that we
5 received following the close of the comment period. Those
6 will be on our website.

7 Are there any other questions as to process?

8 Seeing none, I do want to thank everyone again
9 for coming out and for participating in this hearing. I
10 believe we're closed.

11 Thank you.

12 (Thereupon the California Natural Resources
13 Agency public hearing adjourned at 1:43 p.m.)

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1 CERTIFICATE OF REPORTER

2 I, JAMES F. PETERS, a Certified Shorthand
3 Reporter of the State of California, and Registered
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the
6 foregoing California Natural Resources Agency public
7 hearing was reported in shorthand by me, James F. Peters,
8 a Certified Shorthand Reporter of the State of California,
9 and thereafter transcribed under my direction, by
10 computer-assisted transcription.

11 I further certify that I am not of counsel or
12 attorney for any of the parties to said hearing nor in any
13 way interested in the outcome of said hearing.

14 IN WITNESS WHEREOF, I have hereunto set my hand
15 this 24th day of August, 2009.

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21 JAMES F. PETERS, CSR, RPR

22 Certified Shorthand Reporter

23 License No. 10063

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