



MEETING SUMMARY
NORTH CAROLINA CLIMATE ACTION PLAN TECHNICAL WORK GROUP

Energy Supply TWG Call #7, September 14, 2006, 2:30-4:30pm

Prepared by Kimberly Garnett and Bill Dougherty

The meeting was called to order by Bill Dougherty of CCS staff a few minutes after 2:30 pm. In attendance were the following TWG Members

- Ericson, Roy – NC Utilities Commission
- Hobbs, Alex – NC Solar Center
- MacDowell, Pete – NC Waste Awareness and Reduction
- Nixon, Marily – Southern Environmental Law Center
- Shore, Michael – Environmental Defense
- Toben, Tim – Carolina Green Energy
- Urlaub, Ivan – NC Sustainable Energy

Additional participants included:

- Hoey, Len – State Energy Office (for Larry Shirley)

From DENR staff, the following were in attendance:

- Garnett, Kim – NCDENR/DAQ Liaison with Energy Sector TWG
- Southerland, Jim – NCDENR/DAQ
- Nicholson, Brock – NCDENR/DAQ

From the public, no one was in attendance.

From CCS staff, the following was in attendance:

- Bill Dougherty
- Sivan Kartha

TWG members not in attendances were:

- Deerhake, Marion – Environmental Management Commission
- Everett, George, PhD – Duke Power
- Howard, Preston – Manufacturer Chemical Industry Council

- Kanes, Matthew – Piedmont Natural Gas
- Koger, Robert Dr. – Advanced Energy
- Lam, Thomas – Public Staff on NCUC
- Rich, Simon – Energy industry
- Shirley, Larry – State Energy Office (Len Hoey in substitution)
- Smith, Stephen – Southern Alliance for Clean Energy
- Will Vicky – Progress Energy

The background documents that were used as the basis for the discussions had been posted on the website in advance of the meeting (http://www.ncclimatechange.us/Energy_Supply.cfm). These included the following documents:

- Meeting notice and agenda
- Summary of ES TWG Call #6
- PowerPoint presentation for TWG Call #7
- Description of draft ES policy proposals

The agenda of this meeting was as follows:

1. Call to order
2. Roll call of TWG members and public
3. Review and approval of summary of TWG call #6 (August 1, 2006)
4. Review draft policy proposals
5. Follow-up to information requests
6. Call for any public comments/input
7. Proposed agenda items and date/times for next meeting
8. Announcements

Bill Dougherty called the meeting to order and took the roll call (as summarized above). The summary of TWG call #6 was adopted without comment.

Then began a discussion of the draft policy proposals. This took the form of the proposal author providing a brief overview, followed by an open group discussion, and concluded with a statement summarizing the group's understanding about policy design (i.e., targets and timing). A summary of key points that emerged from the discussion appears below:

- ES-1 – not covered (author not present)
- ES-2 – Tim Toben and Ivan Urlaub presented. Used input from NCSEA. Explained choice of excluding biomass co-firing. Explained targets of a 20% EPS by 2020, starting in 2008 and with a minimum of 10% renewable generation by 2017. Also discussed links with public benefits fund. Discussed relevance of EPS to NC Greenpower program. NC Greenpower is above and beyond RPS requirements. It was noted that this might face lobbying opposition from utilities. Theoretically, the EPS and the NC Greenpower program could operate side by side, but in fact utilities might work to abandon NC

Greenpower in favor a strong EPS. Action: Add text regarding the quantitative goal. Discuss interaction between ES-2 and NC Greenpower.

- ES-3 & ES-9 – Alex hobbs presented. Incentives and removal of barriers for CHP, including interconnection standards, output-based emission standards and GHG-friendly business practices. There is a study that supports the 2000 MW goal. (DOE is to double amount of existing CHP.) Action: Add some text further explaining goal of 2000 MW.
- ES-4 – not covered (author not present)
- ES-5 – Michael Shore presented. Five legislative changes were discussed that would change existing planning protocols in order to facilitate the introduction of options that reduce GHG emissions. Action: Articulate with Marily Nixon more clearly what exactly would be the specific policy design and timing of ES-5. (e.g., scoping study, proposed legislative bill? proposed PUC action?)
- ES-8 – was not available at the time of the meeting
- ES-6, ES-7, ES-10 – not covered on account of time limitations

By the time the above business was concluded there was insufficient time to devote to the information that George Everett and Vicky Will had provided by email to Bill and Sivan regarding the inventory and forecast.

At the conclusion of the discussion of the draft proposals, Bill suggested that the next step in finalizing the proposals would be to send revisions to existing proposals to Bill by Thurs 21 September. Given the need to finalize all draft in time for the upcoming CAPAG meeting on 12 October, a target date of 28 September was set for the finalization of all draft proposals.

It was unclear whether another TWG meeting would be necessary to finalize the draft proposals, or whether this could be accomplished offline via email exchanges between CCS and the TWG members. It was agreed that Bill would send out an email request on potential dates and/or a process to finalize the proposals.

There were no members of the public in attendance, and hence no comments from the public.

There were two announcements, as follows:

- Kim Garnett announced that Arizona sent their GHG reduction recommendations to Governor. She will provide to CCS who will circulate to TWG members
- Roy Ericson announced that a recent report that has implications for the design of ES-5 is now available from the public staff of PUC. He will provide to CCS who will circulate to TWG members.