



MEETING SUMMARY
NORTH CAROLINA CLIMATE ACTION PLAN TECHNICAL WORK GROUP

Energy Supply TWG Call #8, December 19, 2006, 2:00-4:00 pm

Prepared by Kimberly Garnett and Bill Dougherty

The meeting was called to order by Bill Dougherty of CCS staff a few minutes after 2:00 pm. In attendance were the following TWG Members

- Deerhake, Marion – Environmental Management Commission
- Ericson, Roy – NC Utilities Commission
- Kanesh, Matthew – Piedmont Natural Gas (represented by Steve Lisk)
- Koger, Robert Dr. – Advanced Energy (represented by Ward Lenz)
- Nixon, Marily – Southern Environmental Law Center
- Smith, Stephen – Southern Alliance for Clean Energy

From DENR staff, the following were in attendance:

- Garnett, Kim – NCDENR/DAQ Liaison with Energy Sector TWG
- Davis, Charles – NCDENR/DAQ

From the public, no one was in attendance.

From CCS staff, the following was in attendance:

- Bill Dougherty
- Sivan Kartha
- Tom Peterson

TWG members not in attendances were:

- Everett, George, PhD – Duke Power
- Hobbs, Alex – NC Solar Center
- Howard, Preston – Manufacturer Chemical Industry Council
- Lam, Thomas – Public Staff on NCUC
- MacDowell, Pete – NC Waste Awareness and Reduction
- Rich, Simon – Energy industry
- Shirley, Larry – State Energy Office (Len Hoey in substitution)
- Shore, Michael – Environmental Defense
- Toben, Tim – Carolina Green Energy
- Urlaub, Ivan – NC Sustainable 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 #7
- PowerPoint presentation for TWG Call #8
- Revised NC GHG inventory and forecast (Revised GHG forecast - version 1.0.xls)
- Results of analysis of ES-1, ES-2, ES-3/9, and ES-6 (ES options - version 1.0.xls)

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 #7 (September 14, 2006)
4. Review inputs to and results of revised NC GHG inventory & forecast
5. Review draft results of ES-1, ES-2, ES-3&ES-9, and ES-6
6. Review of approach to ES-4, ES-5, ES-7, ES-8, and ES-10
7. Call for any public comments/input
8. Proposed agenda items and date/times for next meeting
9. Announcements

Bill Dougherty called the meeting to order and took the roll call (as summarized above). The summary of TWG call #7 was adopted without comment.

Then began a summary of the correspondence between the CCS facilitation team and the ES TWG during the period between the previous TWG meeting #7 (14 September 2006) and TWG meeting #8. These included the following:

- Memo of 21 November 2006: This was an overview of issues and assumptions for the estimation of GHG emission reductions from electric supply mitigation options
- Memo of 1 December 2006: This was an overview of the CCS proposed approach to integrating TWG member concerns into the estimation of GHG emission reductions from electricity policies
- Email of 5 December 2006: This was an overview of the revised GHG inventory and forecast based on TWG comments received
- Memo of 12 December 2006: This was an overview of a finalized plan of action in response to TWG member inputs on the assumptions for the estimation of GHG emission reductions from electricity policies

Then began a review of the revised GHG inventory and forecast. Bill explained that the revised forecast folded in the comments received thus far from the TWG. There were some clarifications offered by Tom Peterson regarding the role of the forecast in the analysis. There were no substantive technical issues or concerns expressed by TWG members regarding the results. To

finalize the GHG, Kim Garnett proposed that any TWG member who has any remaining feedback/questions on the revised forecast provide them to the CCS team within one week.

- *Action item: Bill agreed to send out a final request for comments on the GHG inventory and forecast with a deadline for comments of 5 January 2007.*

Then began a review of the first draft analytical results of several energy supply mitigation options (ES-1, ES-2, ES-3&ES-9, and ES-6). Bill prefaced a discussion of results with the following points:

- The analysis was designed to be as simple, transparent and explicit as possible in order to afford TWG members the opportunity to clearly review input assumptions and the analytical approach, and change values parameters as needed.
- Avoided costs were estimated at \$35/MWh as a placeholder until such time as the RCI TWG (with whom the ES TWG is coordinating its analysis) could provide initial estimates. Those estimates have now been received but not in time for this ES TWG meeting.

The following general comments were offered by the TWG:

- It would help for the analysis to be condensed somewhat to help in understanding. As it is, the analysis is a little overwhelming. A visual schematic would be helpful. And something narrative about what the columns actually mean and what are the sensitive parameters.
 - *Action item: Bill agreed to send out an explanation of the analysis undertaken thus far as an aid for TWG member review. The aim is for this explanation to be sent out in memo form to the TWG this week, with a deadline for any feedback/comments by 5 January 2007.*

The following detailed comments were offered by the TWG on the initial draft of the individual options:

- ES-1 – there were some clarifying questions about the nature of the incentive
- ES-2 – the recently completed study on the RPS (available on the internet) should be checked for cost and generation levels.
 - *Action item: The CCS analysis team will take a look at what they've done, and come up with preliminary assessment of what we should do*
- ES-3 & ES-9 – no comments.
- ES-6 – no comments

Then began a review of the approach for undertaking the analysis of the remaining energy supply mitigation options (ES-4, ES-5, ES-7, ES-8, and ES-10). Bill indicated that the plan to proceed would follow the approach that was proposed in the 21 November 2006 memo. There was no objection by the TWG.

Next TWG meeting proposed for January 11th from 3:30-5:30 PM.

A complete draft of the analysis of all options needs to be finalized by 17 January 2007, one week in advance of the next CAPAG meeting scheduled for 24 January 2007.

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

There were no announcements.