

*North Carolina*

**Climate Action Plan Advisory Group**

Energy Supply  
Technical Work Group  
Teleconference Meeting #10

March 22, 2007



# Today's Agenda

- Call to order
- Roll Call of TWG members and public
- Review and approval of summary of TWG call #9 (January 11, 2007) (on website)
- Review instructions from CAPAG meeting held on January 24, 2007 (on website) and propose steps to finalize all mitigation option analyses
- Call to the public, announcements
- Proposed agenda items and date/times for next meeting
- Announcements

# CAPAG Meeting #5 Summary

- See draft meeting summary on website
- Bottom-line summary as outlined below
  - ES-1: returned to ES TWG for further review
  - ES-2: returned to ES TWG for further review
  - ES-3: and ES-9 analysis accepted; no further action required
  - ES-6: returned to ES TWG for further review
  - ES-7: returned to ES TWG for further review
  - ES-8: returned to ES TWG for further review
  - ES-10: returned to ES TWG for further review

# ES-1: Renewable Energy Incentives

- CAPAG would like the ES TWG to better represent long-term costs, benefits, and rate impacts
- Possible approach to address CAPAG comments:
  - Long-term costs: provide details on the present value results (2008-2020) for each technology option
  - Benefits: include a qualitative description about the ancillary benefits (environmental, market) of the incentives
  - Rate impacts: this is a logical next step though quantitatively more involved & beyond scope of current resources. Secure additional resources to undertake.

# ES-2: EPS

- CAPAG would like the ES TWG to clarify the following:
  - Generation displaced in 2020 by energy efficiency and renewables
  - Mix of renewable energy in 2020
  - Better represent long-term costs, benefits, and rate impacts
  - Evaluate a combined 20% target by 2020
- In addition, additional analysis of several additional scenarios was proposed as follows:
  - 1) 20% target for energy efficiency and renewable energy, combined
  - 2) EPS target matching electric demand growth through 2017, with sensitivities:
    - a) Adjust mix of EE and RE based on rate impacts
    - b) Base demand growth based on 2005 IRP filing or 2006 LaCapra study
    - c) Use parameters in document: “20% by 2020 Renewable Energy & Efficiency Standard
    - d) Include solar set asides

# ES-2: EPS (continued)

- Possible approach to address CAPAG and other requested analysis:
  - Make a recommendation to DENR that the additional analysis and sensitivities on the 20% target should be conducted
  - Explore whether additional resources can be allocated to conduct the analysis
  - Conduct the analysis upon approval of additional resources

# ES-3&9: CHP

- Not applicable (these options have already been recommended to the Commission based on the analysis completed by the ES TWG thus far.

# ES-4: Cap and Trade

- CAPAG would like to further discuss this option at the CAPAG level (I.e., no further analysis has been requested of the ES TWG)
- Possible approach to address CAPAG comments:
  - It would be good for the ES TWG to make a clear recommendation to the CAPAG relative to a state versus a national cap and trade option.

# ES-5: Legislative Changes to Address Environmental & Other Factors

- CAPAG would like the ES TWG to undertake additional review, noting in particular the question whether the ES TWG recommends that the Commission be given expanded authority
- Possible approach to address CAPAG comments:
  - Make a recommendation based on Option #2 in the 15 January 2007 memo to the ES TWG (on website)

# ES-6: IGCC with carbon capture and storage

- CAPAG would like the ES TWG to undertake additional analysis
- Possible approach to address CAPAG comments:
  - Conduct additional analysis on the following:
    - Replace 800 MW of existing coal-fired capacity in NC with an IGCC
    - Replace 800 MW of projected new coal-fired capacity in NC with an IGCC
    - Provide a comparison of the costs and benefits of the two sensitivities

# ES-7: PBF

- CAPAG would like to further discuss this option at the CAPAG level (I.e., no further analysis has been requested of the ES TWG)
- Possible approach to address CAPAG comments
  - Provide information to the CAPAG relative to the following share:
    - Share of monthly household bills represented by the PBF
    - The overlap between RCI and ES concerning the PBF

# ES-8: Waste to Energy

- CAPAG would like the ES TWG to undertake additional analysis
- Possible approach to address CAPAG comments
  - Revise the analysis to consider a target of 50% of new sewage treatment facilities

# ES-10: GreenPower program

- CAPAG would like the ES TWG to undertake additional analysis
- Possible approach to address CAPAG comments
  - Replace the targets that were proposed by the ES TWG with the targets proposed by the RCI TWG

# Public Input, Announcements

March 22, 2007

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14

# Next Proposed Activities

- Finalize analyses one week prior to the next ES TWG meeting
- TWG members to provide input to CCS prior as needed via email/phone contact before then
- Date and time for next TWG meeting