



**MEETING SUMMARY**  
**NORTH CAROLINA CLIMATE ACTION PLAN TECHNICAL WORK GROUP**

**Energy Supply TWG Call #10, March 22, 2007, 3:30-5:30 pm**

*Prepared by Kimberly Garnett and Bill Dougherty*

The meeting was called to order by Bill Dougherty of CCS staff a few minutes after 3:30 pm. In attendance were the following TWG Members

- Choi, Caroline – Progress Energy (substituting for Will, Vicky)
- Ericson, Roy – NC Utilities Commission
- Hobbs, Alex – NC Solar Center
- Howard, Preston – Manufacturer Chemical Industry Council
- Lam, Thomas – Public Staff on NCUC
- Shirley, Larry – State Energy Office (or Len Hoey in substitution)
- Urlaub, Ivan – NC Sustainable Energy
- John Wilson – Southern Alliance for Clean Energy (substituting for Smith, Stephen)

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

TWG members not in attendances were:

- Deerhake, Marion – Environmental Management Commission
- Everett, George, PhD – Duke Power
- Kanes, Matthew – Piedmont Natural Gas
- Koger, Robert Dr. – Advanced Energy (or as represented by Ward Lenz)
- MacDowell, Pete – NC Waste Awareness and Reduction
- Nixon, Marily – Southern Environmental Law Center
- Rich, Simon – Energy industry
- Shore, Michael – Environmental Defense
- Toben, Tim – Carolina Green 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](http://www.ncclimatechange.us/Energy_Supply.cfm)). These included the following documents:

- Meeting notice and agenda
- Draft summary of ES TWG Call #9
- PowerPoint presentation for TWG Call #10
- Analysis approach memo for ES-4 and ES-5 mitigation options
- CAPAG #5 meeting – ES summary only

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 #9 (January 11, 2007) (on website)
4. Review instructions from CAPAG meeting held on January 24, 2007 (on website) and propose steps to finalize all mitigation option analyses
5. Call for any public comments/input
6. Proposed agenda items and date/times for next meeting
7. Announcements

Bill Dougherty called the meeting to order and took the roll call (as summarized above). The summary of TWG call #9 was adopted without comment.

Then began an overview of the feedback from the CAPAG #5 meeting regarding the remaining analytical issues that need to be addressed by the ES TWG for mitigation options ES-1, ES-2, ES-4, ES-5, ES-6, ES-7, ES-8, and ES-10. The aim is to resolve all the issues that have been raised in time for a revised analysis to be present at the next CAPAG meeting to be held on 8 May 2007. The following detailed comments were offered by the TWG on the initial draft of the individual options:

- ES-1 (incentives) – It was decided to provide additional detail on the present value results (2008-2020) for each technology option; qualitative descriptions about ancillary benefits and the estimated rate impacts.
- ES-2 (environmental performance standard) – It was decided to analyze the alternative 20% combined target suggested by the CAPAG. It was also decided to conduct a sensitivity analysis of an EPS target matching electric demand growth through 2017, with the following sensitivities: 1) Adjust mix of EE and RE based on rate impacts, 2) Base demand growth based on 2005 IRP filing or 2006 LaCapra study, 3) Use parameters in document: “20% by 2020 Renewable Energy & Efficiency Standard and 4) Include solar set asides. Rate impacts would be estimated for each of these sensitivities. Base and peak issues should also be explored in the analysis.
- ES-4 (cap and trade): Further discussion is required of TWG members before proceeding. It was agreed to raise the discussion again at the next TWG meeting.
- ES-5 (Aligning environmental and profit incentives): It was unclear which approach should be taken. That is, whether to not undertake an analysis of this option instead

focusing on a narrative description of a prospective rate reform program for NC (i.e., Option #2 from the 15 January 2007 memo to the ES TWG) or list the option as “non-quantifiable” but with a potentially large GHG reduction potential (i.e., Option #2 from the 15 January 2007 memo to the ES TWG). Therefore, it was decided to take up the discussion again at the next TWG meeting.

- ES-6 (IGCC with and without carbon capture and storage) – It was decided to carry out the additional analysis requested by the CAPAG.
- ES-7 (public benefit fund) - It was decided to estimate the share of monthly household bills represented by the PBF as well as clarify the overlap between RCI and ES concerning the PBF
- ES-8 (waste to energy) – It was decided to carry out the additional analysis requested by the CAPAG.
- ES-10 - It was decided to – It was decided to replace the targets that were proposed by the ES TWG with the targets proposed by the RCI TWG and redo the analysis, as requested by the CAPAG

**The next ES TWG meeting was decided to be on 19 April 2007 from 9:00 to 11:00.**

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

There were no announcements.