

MEETING SUMMARY

Energy Supply and Demand Technical Work Group (TWG)

Alaska Mitigation Advisory Group

Call #1, June 6, 2008, 9:30 AM to 11:00 AM Alaska Time

Attendance:

1. Technical Working Group (TWG) members:
 - Peter Crimp AK Energy Authority
 - Clint Farr Air Quality, ADEC
 - Scott Goldsmith UAA Institute for Social & Economic Research
 - Wayne Hall Teck Cominco AK, Red Dog
 - Marilyn Leland Alaska Power Association
 - Tom Lovas Nat'l Rural Electric Cooperative Association
 - Jim Posey Municipal Light & Power
 - Sean Skaling Green Star
 - Steve Colt
 - Steve Denton
 - Kate Lamal

2. Center for Climate Strategies (CCS) staff:
 - Chris James
 - Alice Napoleon

3. Alaska State Agency (DEC) Liaison and Attendees:
 - Jackie Poston, Agency Liaison
 - Susan McNeil

4. Public Attendees: None.

Background documents:

(all posted at: http://www.akclimatechange.us/Energy_Supply_Demand.cfm)

1. Meeting Notice and Agenda
2. PowerPoint for Teleconference
3. Alaska Inventory and Forecast - July 30, 2007
4. Energy Supply and Demand Draft Catalog of Policy Options
5. Energy Supply and Demand Policy Option Descriptions
6. Residential, Commercial and Industrial Draft Catalog and Descriptions of Policy Options

Discussion of process, purpose, and goals:

Chris James called the meeting to order, completed the roll call and reviewed the agenda and plans for the call. Chris noted that this meeting would be process-heavy, and he would be doing a lot of the talking; however, future calls will be more interactive. Call participants briefly introduced themselves.

Those participating by phone were asked to refrain from putting the call on hold and to use the mute function (*6 both mutes and unmutes) if they are calling from a noisy area.

Chris noted that materials for this call and all future calls will be posted at http://www.akclimatechange.us/Energy_Supply_Demand.cfm. It was also noted that the TWG and project websites are important information resources and members should try to stay up with the materials posted in these locations. A TWG member requested a link to the meeting materials in future email meeting notices.

It was noted that the conference line will be the same phone number and passcode for all meetings.

The purpose and goals of the process were discussed. The goals and duties of the Mitigation Advisory Group (MAG) are to:

- Develop recommendations for achieving the goals laid out in Administrative Order 238
- Review and approve state greenhouse gas (GHG) inventory and forecast
- Review and assess recent actions taken and impacts on goals
- Identify actions to meet 2020 goals for GHG emissions, job creation fuel savings
- Evaluate opportunities for regional collaboration
- Identify state lead-by-example opportunities
- Identify ways to coordinate state and local GHG reduction actions
- Inform and involve the public
- Report to Sub-Cabinet on Climate Change

The Governor's Administrative Order guides this process. It was noted that numerical goals may be discussed at the MAG-level.

A parallel group to the MAG exists for adaptation issues.

The ESD TWG serves in an analytical & advisory role to the MAG. The TWG works on the “nuts & bolts”—it provides references, information on whether a policy/program has been done before, cost effectiveness, and GHG reduction potential. The TWG is critical for identifying opportunities—which are likely to be unique in Alaska. TWG duties include:

- Analysis, review and early ranking of options
- Development of initial straw proposals for design
- Input and review of MAG recommendations and reports
- Review of state GHG inventory and forecast

CCS (Alice and Chris) and Information Insights provide facilitation, technical support and analysis to the TWGs and MAG.

Elements of the MAG/TWG process that were discussed include:

- TWG focus areas - Issues often cross boundaries between the five work groups; going forward, it is important for process participants to remember that one group is not responsible for all sectors and policies. TWG focus areas include:
 - Oil & Gas
 - ESD (covers heat and power generation, supply, transmission/distribution, and use for the residential, commercial, industrial, and government/institutional sectors)
 - Transportation/Land Use
 - Forest, Agriculture and Waste
 - Cross-Cutting Issues
- Timing: Two TWG meetings (approx. 2 hours long, each) will be held between MAG meetings, which are generally held once every two months. The final report is due following the last MAG meeting in April, 2009. CCS tries to leave space between calls, so that we can report can report results/discussion/recommendations to the MAG at its next meeting. The next MAG meetings are July 15 and Sept 22. Chris suggested that the TWG hold an in-person meeting after one of the MAG meetings.
- Ten step work plan – Chris noted that this is a fluid, iterative process. In the beginning, we will focus on steps 1 through 6.
- Next steps of the TWG
 - Review and revise Alaska greenhouse gas (GHG) inventory and forecast
 - Identify “priorities for analysis” from catalog of states actions – TWG members should provide input and additional policy options in the catalog. These actions have been done in other states, but policies aren’t “one size fits all.”
 - Rank and screen options – Early ranking will be on a coarse scale: Low, Medium, and High potential for GHG emission reduction and for cost effectiveness (\$/ton CO₂e).
 - Suggest initial “priorities for analysis” to the MAG
- Decision criteria (Policy options will be evaluated based on their GHG reduction potential and the cost or cost savings per ton of CO₂e avoided; co-benefits and any feasibility issues will be considered but usually qualitatively.)
- Policy documents and final report structure

Alaska greenhouse gas (GHG) inventory and forecast:

Chris briefly introduced the July 2007 greenhouse gas (GHG) inventory and forecast report. Appendix A (electricity supply), Appendix B (Residential, Commercial, and Industrial fossil fuel consumption), and Appendix D (industrial processes) are particularly relevant to the ESD TWG. Chris drew the TWG’s attention to Table A8 in Appendix A, and two key assumptions:

- 1.7% growth rate in electricity sales for the period of 2005-2020 (based on extending 2000-2005 growth from EIA historical data)
- 80% of new generation sources are assumed to be renewable energy

It was asked whether members of the TWG have any Alaska-specific data. A member suggested looking at Golden Valley Electric Association data.

Clint Farr gave an overview of the major differences between the January 2008 DEC report (requested by the Trustees of Alaska) and the CCS inventory and forecast, which used a top-down approach relying on US EIA data. The January 2008 report came about because it was known that EIA data did not reflect some recent events, e.g., that the Anchorage & Juneau waste incinerators no longer operate.

Clint Farr agreed to provide paper copies of these documents upon request.

Public input & announcements:

None

Next Steps:

The next meeting of the ESD TWG was set for Tuesday, July 1, 9:30 – 11:30 AM Alaska Time.

During the July 1 TWG meeting, CCS will provide an overview of the Inventory and Forecast. Before the next meeting, TWG members are asked to review the July 2007 greenhouse gas (GHG) inventory and forecast report, especially focusing on the assumptions in Appendix A (electricity supply), Appendix B (Residential, Commercial, and Industrial fossil fuel consumption), and Appendix D (industrial processes).

There are two separate policy option catalogs, because other states have both Energy Supply and Residential, Commercial, and Industrial working groups. TWG members should look through both policy descriptions files, consider modifying or combining the listed policies, and/or adding new ones based on feasibility and potential in Alaska. Additions to the catalog will be made by the July 15 MAG meeting.