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**MEETING SUMMARY**  
**ALASKA CLIMATE CHANGE MITIGATION ADVISORY GROUP**  
**Energy Supply and Demand Technical Work Group**  
**(ESD TWG)**

Call #3, July 28, 2008, 1:00 PM – 3:00 PM

**Attendance:**

1. Technical Working Group members:  
Peter Crimp, Clint Farr, Meera Kohler, Marilyn Leland, Tom Lovas, Christopher Nye, Steve Colt, Kate Lamal, Chris Rose, Dan White
2. Center for Climate Strategies (CCS) staff:  
Alice Napoleon, Jeremy Fisher, Chris James
3. Alaska Department of Environmental Conservation Observers: Jackie Poston
4. Public Attendees: None.

**Background documents:**

(all posted at [http://www.akclimatechange.us/Energy\\_Supply\\_Demand.cfm](http://www.akclimatechange.us/Energy_Supply_Demand.cfm))

1. Meeting Notice and Agenda
2. Powerpoint for Teleconference
3. Draft Summary of Meeting #2
4. Consolidated Energy Supply and Demand Draft Policy Options Descriptions

**Discussion items and key issues:**

This was the third conference call of the ESD TWG.

1. Alice Napoleon called the meeting to order, reviewed the agenda and plans for the call, and completed the roll call. Some TWG members noted general confusion on call number and timing: call was listed on website as 1:00 PM, but the email notice indicated 9:30 AM (AK time) in the body of the message. A member noted that the email list is probably not complete; Meera did not receive the notice. Also, there was a request that email notices go out earlier—last minute emails are too late.
2. Meera Kohler requested, and Marilyn Leland seconded the request, to elect a chair and vice-chair of the TWG. The chair and vice-chair would help lead the group during calls and to facilitate communication. Alice responded that this is CCS's job. Also, this type of

structure is inconsistent with the “equal footing” premise that we adhere to in this process. Finally, the structure implies that the TWG has decision-making authority, which it does not. Alice asked that the issue be deferred until the next meeting, once she has been able to confer with her colleagues at CCS.

3. CCS reviewed the summary from Call #2. Alice noted some issues to be resolved before the notes can be finalized. She suggested striking bullet 3.h.ii, because there is not enough information to know where the information comes from. CCS will follow up with Steve Roe about what was intended there. These notes will be finalized by next call, at which point the TWG will re-review them.
4. Alice went over the plans for the next call.
  - a. “Notional Rankings”: Each policy option will get a high, medium, low, negative, or uncertain ranking on both GHG emissions reductions and costs per metric ton in Alaska. One week prior to the next call, CCS will send out these notional rankings. During the next call the TWG will discuss the notional rankings and policies.
    - i. Notional ranking gives a rough sense of policy cost and emissions impact for guidance purposes only. CCS is not analyzing all of the items in the catalog to come up with these notional rankings—they are based on analyses done for other jurisdictions and adjusted based on what we know about Alaska. CCS will be relying on the TWG to correct these wherever they are off-base. CCS will only do detailed analyses for the subset of policies that are approved by the MAG as priority policies for analysis.
    - ii. There was a request for a description of how we derive cost per ton and the definitions of [the notional rankings] “high, medium, and low”—the electricity sector may think of cost per ton very differently than in other states. Alice responded that the notional rankings are rough and qualitative. However, generally, for the cost notional rankings: “High” cost: \$50 / ton [CO<sub>2</sub> equivalent] or higher, “medium” is \$5-50, “low” is < \$5. Some options may have a negative cost per ton, meaning that they both save money and reduce greenhouse gases. A “high” ability to mitigate is estimated at 1 million metric tons or more by 2025, a “medium” is 0.1 to 1 million metric tons, and “low” is < 0.1 million metric tons. Others will be labeled as uncertain. CCS will send the TWG a memo describing how we’ve done analyses in other states, which are the basis for our rough estimates of costs per ton in AK.
  - b. Following the next meeting, the TWG will recommend priority policies for analysis through a ballot process. CCS will send the ballot to all TWG members via email. The TWG will have three or four days to complete and return the ballot, and CCS will compile the ballot results to report to the TWG after the ballots are returned.
    - i. Results become recommendations of the TWG, and not of individuals.
    - ii. Clarification on TWG balloting: Alice noted that the MAG will have opportunity to see how all the policy options ranked and will have the ability to choose policies even if they were not suggested by the TWG. CCS will go over the ballot results on the September 8 TWG call, in

advance of the September 22 MAG meeting, to ensure that the TWG is suggesting a consistent set of policies. For example, if votes are split on two similar policies, the TWG might consider merging the policies rather than neither having enough votes to pass.

- iii. Clarification on TWG vs. MAG responsibilities: MAG is a decisional body, which has the right to override the TWG priority policies. The MAG can decide that some are not appropriate, but most of the time the MAG goes along with TWG recommendations.
- iv. What about the other TWG members who are not on the call today? Alice responded that these members will have the ability to complete a ballot. Also, it is the duty of TWG members to review all materials for the meeting, including the meeting notes, which will have information about next steps.

## **5. Feedback from the MAG**

- a. The MAG suggested a buy-back program for appliances and one for wood stoves. Meera, who attended the MAG meeting, said if appliances are replaced with high efficiency appliances, the buy-back program would take the old appliances out of service (and disable / recycle them such that they could not be used). Marilyn noted that the TWG should consider a policy with financial assistance for appliance removal; in the small villages, it takes a lot of effort to get appliances out of town. Alice suggested tying wood-stove buy-back into an overall appliance buy-back program (new catalog item RCI 2.8). There were no objections to this suggestion.
- b. Alice suggested putting financial incentives for retrofits into (a new) RCI 2.9. There were no objections to this suggestion.
- c. Alice asked for clarity on an ambiguous point on slide 3 – “Interest rate incentives” may have meant low interest loans, but that is already included in RCI 1.5 (low interest loans for home improvements). A TWG member asked whether CCS’s notes on the MAG meeting would clarify this. Chris James noted that we’re still waiting for better notes from CCS at the MAG meeting; Ken and Gloria should send notes back soon. Some TWG members expressed concern that CCS notes are not available in a timely fashion.
- d. TWG Member: The MAG suggested that we use other criteria for policy option efficacy, for example “ensure growth of AK jobs and economy.” Alice noted that individual TWG members can choose whatever information and criteria in completing their ballots. Based on the last MAG meeting, a TWG member said that members should not be able to use any criteria they choose. A TWG member asked to have a discussion on balloting criteria and how options will be chosen aside from the actual policies.

## **6. Policy options**

- a. Alice asked if there are any policies that need to be added into the CCS policy options. Clint Farr noted that he sent comments to Chris. Should comments about policies be sent to the entire TWG or just to Chris [James] alone? Alice said to

send them to Chris, but asked the TWG to bring up questions and comments on the next call for the whole TWG to hear.

## **7. Inventory and Forecast**

- a. Several TWG members said that they did not understand that they were supposed to review the CCS inventory and projection report for this call. Alice asked the TWG to review the CCS inventory and projection document, and send any comments to Steve Roe and Chris James, cc'ing Clint Farr.
  - b. A question was asked about the CCS and AK DEC documents: are they the same? Clint Farr said that the CCS and AK DEC documents came at the same questions from different directions. However, they're very close and that is heartening. The AK DEC estimate used only Title V sources, but not smaller than 25 MW sources. The DEC inventory report is from the bottom up, and may cover most of the sources.
  - c. CCS inventory: Will we be getting an updated list of the new and proposed power plants in AK? Information about a new CC in Anchorage area.
    - i. For example:
      1. Kenai [IGCC] is no longer in the discussion;
      2. Galena [nuclear] is still under discussion
    - ii. Peter Crimp: I will send a list of ~40 new and proposed power plants to CCS and Clint Farr
  - d. A TWG member commented that the emissions curves look too linear. There may be some odd assumptions in here.
  - e. CCS requested TWG members to review the appendices posted online in order to facilitate a detailed discussion during the next meeting.
- 8. Public Input:** input from the public was solicited by CCS. No members of the public were present on the call.
- 9. Next Steps and Agreements/Current Action Items:**
- a. The next TWG meeting will be August 27<sup>th</sup> or 28<sup>th</sup> at 1:00 PM. CCS will coordinate with the TWG by email when we know when AEA is having its RGGGA meeting. At the next meeting, the TWG will go over balloting methods.
  - b. CCS responsibilities:
    - i. Post notes for this meeting and notes for last meeting.
    - ii. Will submit memo with methods for quantification.
    - iii. Define action items required before each meeting for next meetings.
  - c. TWG responsibilities:
    - i. Review policy options in catalog and provide suggestions, modifications, or questions on policy catalog items before next meeting.
    - ii. Review CCS Inventory and Projection Appendices A, B, & D (<http://www.akclimatechange.us/ewebeditpro/items/O97F17681.pdf>). Optionally review AK DEC inventory and analysis as well
    - iii. Review the summary of meeting #2 and #3
    - iv. Peter Crimp will send list of anticipated new power plants (~40) to Steve Roe