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DRAFT MEETING SUMMARY
Vermont Governor’s Commission on Climate Change Technical Working Group
Energy Supply and Demand

Call #3, January 11, 2007, 2:00 – 4:00 pm

Prepared by Sivan Kartha and Jeff Merrell

Attendance:

TWG MEMBERS
Debra Baslow
Alan Betts
Sean Cota
Don Gilbert
Thomas Jagielski
James Moore
ADDITIONAL PARTICIPANTS / ALTERNATES
David Lamont
VERMONT DEC
Jeff Merrell
FACILITATORS
Bill Dougherty
Sivan Kartha

Energy TWG Members not present
Gina Campoli
Paul Comey
Elizabeth Courtney
Richard Cowart
Robert DeGeus
Robert Dostis
Chris Dutton
Michael Dworkin
David Epstein
David Hill
David O'Brien
Dale Rocheleau



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Background documents:

Unless otherwise noted, all documents are posted at

http://www.vtclimatechange.us/technical_work_groups.cfm,

(Click on Energy Supply and Demand under Technical Working Groups in the left-hand column)

1. Meeting Notice and Agenda, ESD TWG Call #3
2. Summary of Call ESD TWG Call #1 (November 28, 2006)
3. Powerpoint Presentation to ES TWG Call #3
4. Catalog of State-Level GHG Reduction Policy Options (ver. December 15, 2006)
5. Background Document (Preliminary Results, ver. Jan 11, 2007)

Agenda:

1. Call to order, roll call, and approval of prior meeting summary
2. Discussion of voting results and decision on recommended priority options
3. Agenda, date and time for next meeting
4. Call to the public
5. Announcements

Discussion and decisions:

1. Call to order, roll call, approval of summary.

The meeting was called to order by Sivan Kartha shortly after 2:00pm, and roll call was taken. The summary of ESD TWG call #2 was approved by the group.

2. Review and discussion of voting results

Sivan briefly reviewed the voter turnout (10 ballots cast) and distribution of votes. It was noted that slide 4 of the presentation (Voting by option group) is not updated with respect to the last two ballots submitted. Attention was focused on page 2 of the Background Document (posted on web), which was up to date.

Sivan presented a strawman bundling of options and proposal for priority options, shown below.



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Proposed Option #	Proposed Option Name	# From Catalog of States Actions	Total votes
Tier 1			
ESD-1	Demand Side Management Programs and Funding	RCI-1.1, 1.2, 9.2	10
ESD-2	Building Efficiency Codes, Training, Tracking	RCI-3.1, 3.3, 3.4	9
ESD-3	Nuclear-specific support measures	ES-4.2	9
ESD-4	Support for Combined Heat and Power	RCI-6.2; ES-2.1, 2.2	7
ESD-5	Renewables Financial Incentives (Generic)	ES-1.2, 1.4, 6.5	7
ESD-6	GHG Cap and Trade, CO2 tax	ES-5.2, ESD-5.3	6
ESD-7	Incentives for Consumer Renewables	RCI-6.1, 8.1	5
ESD-8	Environmental Portfolio Standard	ES-1.1, 9.1	5
ESD-9	Wind-specific support measures	ES-1.11	5
ESD-10	Hydro-specific support measures	ES-1.13	4
Tier 2			
ESD-11	Appliance Standards	RCI-2.1, 2.2, 2.3	3
ESD-12	Renewables Development Issues (Generic)	ES-1.5	3
ESD-13	Innovative Electricity Rates	ES-6.1, 6.2	3
ESD-14	Improve T&D	ES-7.2, 7.3	3
ESD-15	Biomass-specific support measures	ES-1.12	2
ESD-16	Switch to Gas/Biomass	RCI-8.1	2
ESD-17	Landfill Gas Recovery	ES-1.8	2
ESD-18	Support for Community-scale Power	ES-1.10	2

The TWG discussed these options and decided on the following list.



The TWG discussed the voting results and straw man, and reached consensus that the following list of priority options would be recommended to the Plenary for further evaluation, analysis, and potential recommendation to the GCCC.

Proposed Option #	Proposed Option Name	# From Catalog of State Actions
ESD-1	Evaluation and continuation/expansion of existing DSM for electricity and natural gas	RCI-1.1, 1.2, 9.2
ESD-2	Evaluation and expansion of DSM to Other Fuels	RCI-1.1, 1.2, 9.2
ESD-3	Building Efficiency Codes, Training, Tracking	RCI-1.1, 1.2, 9.2
ESD-4	Evaluate Potential for Contracting Nuclear Power	ES-4.2
ESD-5	Support for Combined Heat and Power	RCI-6.2; ES-2.1, 2.2
ESD-6	Incentives and/or Mandate for Clean Electricity	ES-1.1, 1.2, 1.4, 6.5
ESD-7	GHG Cap and Trade and/or CO2 tax	ES-5.2, 5.3
ESD-8	Incentives for Clean Consumer Technologies for Electricity or Heat	RCI-6.1, 8.1
ESD-9	Wind-specific support measures	ES-1.11
ESD-10	Hydro-specific support measures	ES-1.13

The main points of the TWG discussion were the following:

1. It was noted that the involvement of the TWG members and the availability of their expertise for discussions and analysis are critical to the success of the GCCC process. The closer involvement of TWG members should be strongly encouraged.
2. The TWG decided to recommend a list of 10 priority options with no Tier 2 set of options. It was decided that if there is additional time and resources for work on options beyond the list of ten priority recommendations, the TWG would revisit the second Tier 2 list.
3. It was clarified that for all options, the TWG is recommending to the Plenary further evaluation, elaboration, and analysis of the relevant measure or policy. The TWG is *not* yet recommending *adoption* of the measure or policy.
4. The following specific technical issues were discussed in further detail:



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- a. The TWG discussed the status of the large zero/low-carbon uncommitted generation sources (Vermont Yankee and Hydro Quebec) and reaffirmed the understanding that these are being considered in the GCCC process in two ways. (1) numerous measures have been tabled (e.g., ES-1.1, ES-4.2, ES-5.2, ER-5.3, ES-6.5, ES-9.1, etc.) that would have a direct bearing on those generation sources and (2) Inventory and Forecast analysis includes those sources in one of two references cases.
- b. The technological scope of several options was discussed at great length, specifically:
 - i. ES-1.1: “Environmental Portfolio Standard (renewables and energy efficiency)”
 - ii. ES-1.4: “Financial Incentives for Renewable Energy”
 - iii. RCI-6.1 “Promotion and Incentives for Renewable Energy Applications”

The main point under discussion was the technological scope of these policies, and whether it is desirable for any policy to target “renewables” specifically. The TWG was unable to come to a decision regarding the appropriate technological scope of these policies, and the language was changed to leave the scope unspecified. The concern was expressed that certain proposed changes to language would not adequately capture the intent of TWG members who voted for an option but were not on the call. The resulting language for the above options were changed to: “Incentives and/or Mandate for Clean Electricity” and “Incentives for Clean Consumer Technologies for Electricity and Heat” with the meaning of “clean” to be decided. ***Guidance from the Plenary is needed here.***

The TWG members participating in the call demonstrated great patience and commitment in being willing to extend the call 45 minutes past the intended ending time.

3. Agenda and proposed date for next meeting

The tentative date for the next meeting is:

Tuesday, February 20, 2007 from 1:30 - 3:30 p.m.

The TWG members were asked to notify Sivan by email if they could not participate at the proposed time. The date will be finalized within one week and an announcement sent out to the TWG members.

The tentative agenda for the next Energy TWG is:

1. Call to order, roll call, and approval of prior meeting summary
2. Review of GCCC Plenary (#3 (January 18, 2007) decisions relevant to ESD TWG



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3. Discussion and assignment of next steps for elaborating and analyzing priority options.
4. Agenda, date and time for next meeting
5. Call to the public
6. Announcements

4. Public statements

There were no members of the public present.

5. Announcements

There were no announcements.

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