



DRAFT MEETING SUMMARY
Vermont Governor's Commission on Climate – Plenary Group (GCCC-PG)
Agriculture, Forestry & Waste Resource Management (AFW)
Technical Work Group
Call # 10, July 10, 2007

Attendance:

1. TWG Members: Jennifer Jenkins, Debra Sachs, Jamie Fidel (for Elizabeth Courtney), Jackie Folsom, William Sayre, Sandy Wilmot
2. Public: Bill Keeton, Bruce Shields
3. CCS: Steve Roe, Katie Bickel, Brad Strode
4. VTDEC: Jeff Merrell

Background documents

(all posted at http://www.vtclimatechange.us/Agriculture_Forestry.cfm)

1. Notice and Agenda
2. PowerPoint Presentation to the AFW TWG
3. AFW Policy Options Document (distributed via email prior to the call)
4. Summary Notes from Call #9

Discussion and conclusions:

1. CCS reviewed the agenda for the call. The agenda included reviewing notes from the last call and solicited comments for revisions to the Call #9 Summary, reviewing of previous call summary, review of input from PG Meeting #6, reviewing input from TWG and CCS on policy options, discussing remaining steps in finalizing policy options and allowing time for public input and announcements. This call was stated to be the last TWG conference call for the AFW TWG, unless significant comments from the GCCC necessitate another meeting.
2. CCS reviewed the Call #9 Summary and solicited comments from the TWG. No changes were proposed to the Call #9 Summary.
3. Based on the PowerPoint provided on the AFW webpage, CCS outlined specific issues with the Policy Options Document (POD) that were slated for discussion during this call. TWG members were asked to refer to the "VT AFW Policy Options" document that was distributed prior to the call.
4. The first item that was addressed was the Biomass Resource Supply Assessment of Vermont. This assessment provides projections for biomass supply and demand



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associated with GCCC policies (including pools for biomass energy and saw & veneer logs). The results showed a positive biomass balance in 2012 and 2028 (supply exceeds demand from the GCCC options). In addition to data from the AFW-5 analysis, a recent study by the Biomass Energy Resource Center (BERC) was used as a primary source of supply data. That study was previously distributed to the TWG. CCS will verify that the BERC numbers represent incremental biomass supply (in addition to existing consumption). Also, the TWG pointed out the ESD-8 did not have biomass demand numbers. After the call, CCS reviewed the information from the ESD TWG, which shows no additional biomass needed for that option. This is being verified with the ESD TWG coordinator.

5. A TWG member absent from this meeting distributed proposed revisions to the TWG for some agricultural options prior to this call. Most importantly, this member suggested that the cost analysis be stricken from the AFW-1, since it only addressed the marketing aspects of the option and didn't capture costs for creating new production/processing/storage/transportation infrastructure for the region. The recommended changes were agreed upon by the TWG, and CCS will incorporate these recommendations in the final version of the policy options document.
6. There were no issues to address with AFW-2.
7. Suggestions regarding uncertainty and feasibility issues with AFW-3 were offered by the TWG. Difficulties with the implementation of net metering were discussed within the TWG, and it was noted that costs to consumers and utilities have not been taken into account in the analysis (e.g. costs associated with getting 3-phase power installed, which is needed for net metering). It was suggested that a sentence be added to address the cost incurred by the utility and other ratepayers as a result of a net metering program. CCS will synthesize input from the TWG to make necessary revisions to this option
8. An absent TWG member recommended that implementation mechanisms for AFW-4 and AFW-7 be consistent, and specifically suggested deleting the second, third, and fourth bullets from the "Implementation Mechanisms" section. CCS opened this item up for discussion. Revised language was developed by the TWG on the call for two of the three bullets discussed, and this will be incorporated into the final POD. CCS will note that there was not full agreement by the TWG on the fourth bullet point within the feasibility issues section of AFW-4.
9. AFW-5 was reviewed by the TWG. Several details of the option were reviewed on the phone. Key aspects are reported here. A technical expert joined the call specifically to review the analysis of AFW-5 and noted that fossil fuel use in harvested is not accounted for and could represent an increase in emissions under policy implementation. He had additional questions on the structure of the analysis, which there was limited time to discuss. CCS will add a sentence to the key uncertainties section stating that some amount of the carbon sequestered by the option could be offset by an increased use of fossil fuels under policy implementation. A question was raised by the TWG as to



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whether the market for wood products can absorb a 40% increase in production (harvest volume) by 2048. It was stated that in order for this option to be successfully implemented, there must be an adequate market for the incremental increase in wood products. It was agreed that the goals in this option will be restated to in terms of net carbon sequestration rather than production, which is clearer and better reflects the intent of the option. It was also agreed that the term “forest management” was more appropriate than “improved forest management.” The current assumption of a 3% increase in forest growth under forest management was reviewed and will remain the same. Due to limited time, additional assumptions were not covered and a conversation regarding AFW-5 will be continued off-line and by e-mail. A key assumption that needs final review by the TWG is the magnitude of change in harvest volume that can be expected from a 3% increase in growth. Values ranging from 20-100% were discussed on the phone and CCS suggested picking a low to midpoint of approximately 50%. Another key assumption that needs final TWG agreement is how many acres are available for forest management in VT. The numbers discussed range from less than 2 million to 3 million acres. CCS estimates a maximum of 2.9 acres are available based on data provided by the TWG. If possible, an additional call for interested TWG members will be held to nail down final recommendations.

10. No changes were made to AFW-6.
11. AFW-7 was reviewed by CCS and the TWG members. A TWG member suggested that the first implementation mechanism be revised to match the similar mechanism for AFW-4. CCS will make this change.
12. A TWG member said that although quantification has proven difficult for AFW-8, it would be useful to include a paragraph supporting the increased use of wood in household furniture and fixtures, such as flooring and cabinetry. CCS will add this language.

Next Steps:

1. Barring major changes suggested by the Plenary Group, this has been the final meeting of the AFW TWG. The final Plenary Group meeting will take place on July 26, 2007. AFW TWG members are encouraged to submit any comments they might have to Steve Roe, Brad Strode, or Katie Bickel by July 15, 2007, so that these issues may be brought before the Plenary Group.
2. CCS thanks all TWG members for their input and hard work throughout this process.