

NASEO Energy Production Committee

(Draft) Meeting Notes – June 28, 2006

Participants:

Tom Fuller, WY, Chair
Diedre Myers, OK, Co-Vice-Chair
Kenneth Calvin, MS
Jeff Herholdt, WV
Diane Shea, NASEO

Welcome and Introductions

Tom Fuller, committee chair, welcomed the meeting participants.

Short Term Issues

Committee members engaged in a “round-robin” review of the issues taking place in some of the participating states.

Oklahoma – Diedre noted that DOE is apparently telling people that important programs are being cut next year, including education programs with NEED and EE programs. If that happens, the only remaining DOE programs in Oklahoma are likely to be wind power and two Clean Cities projects. She also reported that legislation had passed instituting a new production tax credit, with the proceeds dedicated to wind power. Diedre responded to a question that conventional power plants had not been affected by Powder River basin coal issues.

West Virginia – Jeff Herholdt reported that wind projects in West Virginia were having difficulty with opponents of siting because of viewshed issues. Approximately 500-600 MW of wind projects had been approved and were awaiting the signing of the contracts. In addition, a 600 MW power plant had been approved and power line siting was underway.

Wyoming – Tom commented there were viewshed issues in some parts of Wyoming, particularly the mountainous areas, while the plains sections welcomed wind projects.

The participants also discussed the issue of producing ethanol from coal, citing gasification of coal into syngas and methanization of coal to create methane and diesel. Jeff Herholdt noted that AEC was announcing plans to build an IGCC plant in western West Virginia that will cost approximately 20% more than a conventional coal-fired power plant.

Annual Meeting

In response to the Committee’s suggestion from the last call, Brandon Seitz in Indiana had arranged for Jim Stowell, a vice president at Duke Power to be a general session

speaker for the NASEO Annual Meeting in Seattle, focused on “Living in a Carbon-Constrained World”.

The Committee also suggested a session on the “Challenges of Building and Financing an IGCC Plant”. It would consist of a primer on the technology, possibly by GE Energy; and speakers on sequestration policy issues and economic issues. Diane will work to get a speaker from NETL and will consult with Jeff Herholdt for other speakers.

Diane will also work on topics for the Energy Production Committee session, particularly wind energy and other renewable issues.

Website

The committee suggested that the Energy Production Committee website add:

- Other renewable energy resources
- Clean Coal
- Conventional Generation

Other suggestions were to add a summary of the EPA Act section on renewables. On the Resources page, it was suggested that we have a link to FERC

One other suggestion was to link speaker presentations from prior NASEO conferences to the appropriate committee page. Diane said she would look into getting that done.

Next Meeting Time

It was decided that in lieu of a conference call in September, the committee would meet for lunch in Seattle prior to the start of the Annual Meeting. The lunch was tentatively set for 11:30 a.m. – 12:30 p.m. on Sunday, September 10, at a location to be decided. Diane will work with Tom Fuller on the details.