

NASEO Energy Production Committee

(Draft) Meeting Notes – August 9, 2006

Participants:

Tom Fuller, WY, Chair
Motice Bruce, MS
Dale Hoffman, WY
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.

Wyoming – Tom Fuller noted that nationally, there was a \$2/barrel increase in oil prices due to the Prudhoe Bay incident. He also commented that the State was working on new technology in the development of a sugar plant. A coal-natural gas conversion project is expected to explore the possibility of getting more energy out the steam process. A contract with INEL is in place to do verification and evaluation of the technology. INEL is on retainer to Wyoming for studies and verification work, and is being paid with stripper well funds.

West Virginia – Jeff Herholdt reported on coal-to-liquids plants in West Virginia, as well as on four ethanol projects – two are corn to conventional fuels and two are corn to ethanol. He noted that the State may not cost share projects but will help with selecting a site and providing due diligence on the permits. He reported that a wind power meeting was scheduled in a week, and reported that 500-600 megawatts have been proposed; 350 MW have all the necessary permits in hand; and 200 MW are currently before the Public Service Commission.

He also noted that AEC will be building its first IGCC plant in Mason County, WV, and is currently applying for a certificate of need.

Mississippi – Motice Bruce reported that biodiesel remains one of the key issues in MS. The State Energy Office’s goal is to be at the table when discussions are held on the major issues.

Annual Meeting

- The committee discussed the agenda for the NASEO Annual Meeting. With the help of Jeff Herholdt, Gary Stiegel, NETL’s Gasification Technology Manager

will do an overview of gasification technologies, particularly IGCC. In addition, Thor Hinckley, the Renewable Power Program Manager for Portland (OR) General Electric, will offer a presentation on the hydro and wind-based fuel sources available to a local electric utility in the Pacific Northwest. In particular, he will talk about the wind project being developed by Mid-America on the border between Oregon and Washington, from which PGE will be purchasing wind energy.

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.