

NASEO Energy Production Committee

(Draft) Meeting Notes – November 1, 2006

Participants:

Tom Fuller, WY, Chair
Kenneth Calvin, MS
Diane Shea, NASEO

Welcome and Introductions

Tom Fuller, committee chair, welcomed the meeting participants.

Short Term Issues

Tom Fuller and Kenneth Calvin engaged in a “round-robin” review of the issues taking place in their states.

Mississippi – Kenneth Calvin reported that a lot of activity was happening in Mississippi with ethanol. A new E-85 ethanol production plant was announced in Vicksburg; the plant would produce 60 million gallons of ethanol annually. He reported on two biodiesel production facilities, as well as an anerobic digestion project using chicken litter. He noted that the State was working hard to be in compliance with the federal alternative fuel vehicle requirements, and that they were working with the State’s motor fuel carrier to encourage it to offer gasoline blended with ethanol for State vehicles.

Kenneth also reported that Mississippi is using CDBG money to provide incentives to developers of low-income multi-family housing units to install solar water heaters. The State Energy Office is working with State housing officials to promote alternative energy in multi-family facilities.

Wyoming – Tom Fuller noted that Wyoming has been running all types of motor vehicles on 90% ethanol for the last 15 years. He reported that Wyoming is working to implement Sec. 413 of EPACT, which establishes a demonstration IGCC project to be installed using coal mined in the western United States. Two projects are expected to be announced, and Tom accompanied a team of Wyoming leaders on a trip to Germany to examine coal gasification technology developed in East Germany. He noted that four IGCC plants using Fischer-Tropsch synthetic diesel technology are in the engineering phase of development in Wyoming.

Tom noted that the Wind Working Group is quite active and the Wyoming anemometer loan program, funded by a DOE omnibus grant, is allowing property owners to do wind resource assessments, providing data for commercial sized wind turbines. The property owner is responsible for the cost of erecting the tower and replacing the data chips monthly. The State Energy Office provides for the data analysis.

Lastly, the State is exploring the possibility of using geothermal energy, planning to visit a resort in Alaska that has is producing ¼ MW of electricity from low-temperature (160 degrees F) water, using off-the-shelf-equipment. Wyoming has several potential sites in mind to do something similar.

West Virginia -- Jeff Herholdt wasn't able to be on the conference call, but later reported that he is working with his Governor's office on a state energy plan. In addition, the State is now going through the permit process for a 600 MW IGCC plant on the Ohio River in Mason County. Shell Wind began construction on their project in Grant County (south of Cumberland, MD) The first phase involves 82 2MW turbines with a total permitted amount of 300 MW.

West Virginia just held an Innovative Energy Resources conference looking at current West Virginia projects involving coal waste, coal fines, wind, enhanced oil recovery, coal bed methane, landfill gas recovery and biomass. In addition, the State is in the early stages of two coal-to-liquids plants and a coal waste-based electric plant. In both situations, financing is key.

Winter Conference

Discussion centered on topics that might be presented at the NASEO Winter Conference in Washington, DC in February. Tom suggested that we might want a speaker to talk about energy production/renewables/alternatives programs established by EPA Act 2005. Diane will try to suggest some ideas and she and Tom will talk about various options.

Kenneth suggested that NASEO develop a short interactive survey for members, listing about 15 topics that are timely, and asking members to prioritize them or add others. Diane said that she would bring the issue to the Executive Committee call this month, and see if this could be accomplished. Tom and Kenneth noted that asking states to talk about programs that were unsuccessful, as well as the success stories, might be very useful.

Next Meeting Time

The next conference call was scheduled for **January 17, 2007 at 2:30 p.m. (ET)**. When a topic/speaker is lined up for the call, Diane will send an announcement to all NASEO members, not just those who have signed up for the committee.

