

**MEETING SUMMARY**  
**Washington Climate Advisory Team (CAT)**  
**Energy Supply Sector Technical Work Group (ES TWG)**  
Call #7, October 18, 2007, 9:30am – 11:30am

**Attendance:**

1. Technical Working Group members:

Steve Silkworth	Avista Utilities
Gregg Carrington	Chelan PUD
Nancy Hirsh	NW Energy Coalition
Steve LaFond	Boeing
Patrick Oshie	UTC
Roger Garratt	Puget Sound Energy
Kyle Davis	Pacificorp
Tony Ifie	DNR
Stan Gent	Seattle Steam
  
2. Center for Climate Strategies (CCS) staff:
  - Michael Lazarus
  - Alison Bailie
  - Greg Powell
  
3. Washington State Agency (ECY/CTED) Liaison and Attendees:
  - Greg Nothstein
  - Gail Sandlin
  - Hedia Adelsman

**Background documents:**

(all posted at [http://www.ecy.wa.gov/climatechange/cat\\_twg\\_energy.htm](http://www.ecy.wa.gov/climatechange/cat_twg_energy.htm) )

1. Agenda
2. PowerPoint presentation for meeting
3. Policy Options Descriptions (Mitigation Options Descriptions)
4. Methodology for Estimating 1990 Electricity Load-based Emissions

**Discussion items and key issues:**

1. Alison Bailie started the meeting with roll call and review of agenda
2. Recap of October 4 CAT meeting
  - a. ES-2 CAT member had noted that Puget Sound Energy offers net metering tariff to larger installments. TWG members clarified that PSE offers tariff up to 100kW, as specified in state law. No changes made to text based on this CAT input.
  - b. ES-4: Difficulties had been noted at the CAT meeting regarding utilities' ability to recover cost of R&D. CCS followed up with WUTC and updated the Options Document. TWG members, particularly utilities, asked to review text in document and clarify if particular barriers remain. CAT requested information on context for scale of current R&F programs. CCS has contacted WSU for more information.
  - c. ES-7: Two issues were raised at CAT: (i) current version doesn't specify use of biomass and (ii) need to provide rationale for training/certification of installers/contractors. (i) is being reviewed by CCS and Forestry TWG, using DOE report for WA, CCS estimated biomass could account for 6% of potential CHP or 171 MW. TWG members had following comments
    - i. References to UN1129 should include particular sections
    - ii. Strike bullet 2 under "Net-metering, rates, and interconnection issues".  
*Entire text – comments from RCI TWG – has not been integrated*
    - iii. TWG members thought capital costs too low – more appropriate values might be \$1,000/kW for gas, \$2,000/kW for biomass. Potential references are competitive bidding results and IRP.
    - iv. "Key Uncertainties" – 2<sup>nd</sup> bullet – state doesn't have a say about interconnection standards – so bullet needs rewriting with additional notes about NERC and FERC
3. Inventory and Forecast
  - a. TWG members had strong interest in setting up a meeting to discuss 1990 load-based approach in detail. Ecology and CTED will set up time next week and provide invite to TWG – will also explore asking Jeff King from NW Council to present CO2 footprint analysis.

- b. Projections (now to 2020) – Being updated to NW Council work. Initial indications suggest higher in 2020 in this estimate than in earlier estimate. Reference case does not include current emissions reduction initiatives.
4. ES-5 – Volunteer group developed text to clarify differences between SB 6001 and ES-5
- a. Revise text under section F
    - i. Correct error related to REPI
    - ii. Revise bullet that begins with “Executive Order to legislation...”
    - iii. Bullets under F intended more as brainstorming exercise
    - iv. Move bullets to appendix
    - v. Clarify incentives section introductory text
  - b. Consider institutional issues before incentives. Not ready to consider incentives.
    - i. “expectation that legal and regulatory issues addressed before turning to incentives”
  - c. CCS to provide initial text updates to volunteer group and then to TWG
5. For ES-1, TWG members noted that:
- a. Grid-based is >2MW, distributed generation is <2MW
  - b. Incentives for public-owned utilities needs input – TWG members offered to provide this text to CCS
  - c. Delete text under Transmission Siting Barriers
  - d. Transmission Cost Barriers – should related specifically to renewable energy projects. Replace “charges” with “transmission infrastructure”
  - e. Incentives to Directly Support Renewables – be more clear on where incentives should be placed. What more are we calling for?
  - f. Availability and Diversity of Resources – how does it relate to in-state emissions reductions – all resources are in state law? Nancy and others to revise text
6. For ES-2,
- a. CCS has updated estimates, which will be posted soon
7. For ES-3, TWG members commented that:
- a. Expanding capacity at fossil plants should not be included as efficiency improvements – be sure that text does not imply this.
  - b. Reducing summer spill is controversial Though some members wanted to recognize debate – the TWG determined this was not the place. Delete language about summer spill – use ‘equipment and operational efficiency’ instead. Power Council document is draft – should not be referenced. TWG members offered to help CCS in getting information from BPA on potential for efficiency improvements.

- c. Double-counting (p.19) – avoid duplicating past work (WREGIS)
  - d. P.19 2<sup>nd</sup> bullet – edits were suggested for tighter language
  - e. P.19 3<sup>rd</sup> bullet – ‘changes to cost-benefit analysis to more directly reflect the value and benefit of GHG emissions reductions projects’
8. ES-6
    - a. Has not progressed very far – consulted others (Jesse Berst) to tighten recommendations
  9. Early actions
    - a. Several members indicated their interest in providing input to the CAT on which options (or portions of options) could be recommended as “early actions” for the upcoming legislative session. Michael will pass this on to the CAT process organizers, and will seek to clarify how this input could be collected.

**Next steps and agreements:**

- Will be summarized and provided to ES TWG members by email.

**Next meeting:**

Next meeting is set for November 7, 2007, 9:30-11:30am