



MINNESOTA
Climate Change
Advisory Group



Minnesota Climate Change Advisory Group

Energy Supply Technical Work Group
Meeting #4

July 19, 2007

Minnesota Department of Commerce
Minnesota Pollution Control Agency
The Center for Climate Strategies

Today's Agenda

- Call to order
- Roll Call of TWG members and public
- Review and approval of summary of TWG Meeting #3 (July 2, 2007)
- Review of Balloting Procedure
- Discussion of Results of Prioritization
- Continued Review of MN GHG Inventory & Forecast
- Proposed agenda, time and date for NEXT meeting
- Public input and announcements

Roll Call

- Call to order
- Roll Call of TWG members
- Roll Call of MN State Agency Staff
- Roll Call of Members of the Public

Communication within TWG

- TWG meetings are primarily for interaction among MCCAG TWG members;
- Other participants should refrain from intervening during MCCAG discussions, until they are called upon (note new Call- In Service);
- Agendas for each call will leave time for input from State agency staff and members of the public;
- State staff with information requiring urgent input, should consult with the State liaison to the TWG (Dave Richfield), before intervening in TWG discussions.

Prior Call Summary

- Review and Approval of the RCI Meeting/Call #4 Summary (July 2, 2007)

Stepwise Planning Process

1. Develop inventory and forecast of emissions
2. Identify a full range of possible actions
3. Identify initial priorities for analysis
4. Develop straw proposals
5. Quantify GHG reductions and costs/savings
6. Evaluate externalities, feasibility issues
7. Develop alternatives to address barriers
8. Aggregate results
9. Iterate to final agreements
10. Finalize and report recommendations

Review of Balloting Procedure

- Nominal ratings and notes on catalog;
- CCS distributed a ballot via email to the TWG;
- TWG voted on 10 priorities & returned ballot to CCS;
- CCS tallied the votes and reviews results during this TWG call;
- MCCAG reviews and approves TWG priorities;
- TWG develops straw proposals for policy design.

Top 10 Priorities

- Unranked Priority: Cap-and-Trade Program
- 1. 1.3 Generation performance standards or mitigation requirements
- 2. TIE:
 - 4.7 Improve the GHG profile of biofuels and fossil fuels
 - 2.1 Renewable and/or environmental portfolio standard
 - 3.2 Nuclear power support and incentives
- 5. 3.3 Efficiency improvements, re-powering and other upgrades to existing plants
- 6. 3.1 Advanced fossil fuel technology incentives, support or requirements (IGCC, CCS, etc.)
- 7. 6.1 Transmission system upgrading
- 8. 5.1 Carbon capture and storage or reuse enabling policies
- 9. 2.5 Combined heat and power and geothermal incentives and/or barrier removal
- 10. 1.4 Voluntary GHG Reductions

The Second Tier Priorities

11. 1.2 Carbon (GHG) tax
12. 2.3 Distributed renewable energy incentives and/or barrier removal
13. TIE:
 - 3.5 Technology-focused initiatives (fuel cells, energy storage, etc.)
 - 1.5 Technology research & development
15. 2.8 Demand-side energy efficiency

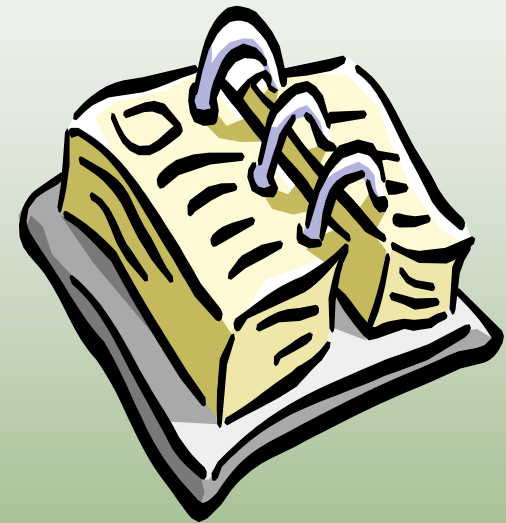
Draft ES GHG Inventory and Forecast - Additional Feedback

- GHG inventory and forecast spreadsheets available on the ES TWG website
- Key issues identified thus far by ES TWG members:
 - Electricity imports and underlying assumptions
 - Manitoba hydro treatment
 - Electricity demand growth rate
 - Composition of coal usage
 - Biogenic carbon
 - Emission factors

Next Steps

Next TWG Meeting

- Teleconference #4
- Agenda:
 - Review results of MNCCAG Meeting
 - Develop Straw Proposals
- **August 23rd from 9:00 to 11:00 AM**
- Future Teleconferences:
 - September 13th from 9 to 11 AM
 - October 9th from 9 to 11 AM
 - October 23rd from 9 to 11 AM
 - November 28th from 9 to 11 AM
 - December 6th from 9 to 11 AM



Public Input, Announcements