



# Energy Supply (ES) Technical Work Group Teleconference Meeting #4

January 25, 2007

# Today's Agenda

- Roll Call
- Review and approval of TWG call #3 summary (Nov 16, 2006)
- Updates from CCAC meeting, December 14, 2006
- Review of next steps for development of straw proposals for draft mitigation options
- Review initial draft Option Descriptions developed by TWG volunteers, and begin process of developing further concepts and text for Descriptions
- Updates to the emissions inventory & forecast
- Next Steps for TWGs
- Agenda, Time and Date for Next Meeting
- Public Input and Announcements

# Updates from CCAC meeting and Subsequent TWG Steps

- CCAC meeting, accepted all Energy Supply TWG recommendations of priority options for analysis
- TWG development of option description and design
  - CCS grouped options into 4 bins
  - TWG members were asked to choose option(s) / bin(s) for which they would like to volunteer to help prepare option designs
  - CCS provided preliminary text for “descriptions” of each option

# Energy Supply Options as Confirmed by CCAC

- Bin A Renewable Energy and Energy Efficiency
  - **ES-1** Environmental portfolio standard
  - **ES-2** Renewable energy incentives
  - **ES-4** Incentives and barrier removal for combined heat and power (CHP) and clean distributed generation (DG)
  - **ES-7** Demand-side management (RCII TWG will take lead)
- Bin B Advanced fossil fuel and other technologies
  - **ES-3** Research and development (R&D)
  - **ES-5** Incentives for advanced fossil fuel generation and carbon capture and storage (CCS)
  - **ES-6** Efficiency improvements and repowering of existing plants

# Energy Supply Options as Confirmed by CCAC

- Bin C      Direct GHG policies
  - **ES-8** CO<sub>2</sub> tax (to be considered jointly with RCII TWG)
  - **ES-9** GHG cap and trade
  - **ES-10** Generation performance standards or GHG mitigation requirements for new (and/or existing) generation facilities, with/without GHG offsets
- Bin D      Fossil fuel production and processing
  - **ES-11** Methane and CO<sub>2</sub> reduction in oil & gas operations,
  - **ES-12** GHG reduction in refinery operations, including in future coal-to-liquids refineries
  - **ES-13** CO<sub>2</sub> capture and storage or reuse (CCSR) in O&G operations, including refineries and coal-to-liquids operations

# Next Steps for TWG

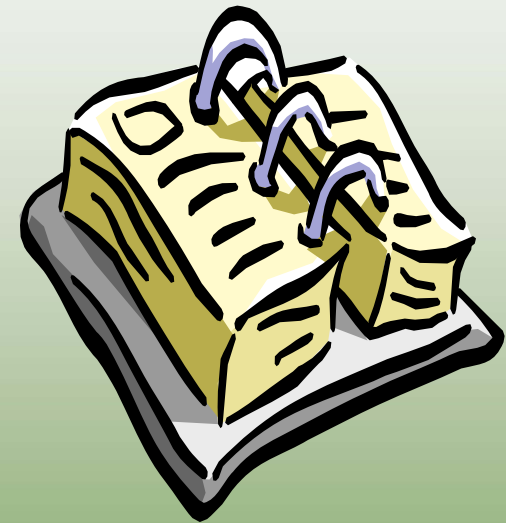
- Review option description and designs developed by TWG volunteers during Jan 18, 2007 subgroup call (Bin A and C)
  - See Energy Supply Option Descriptions dated Jan 25
- Additional call for volunteers for Bin B and D

# Updates to Montana GHG Inventory and Forecast

- High Fossil Fuel Case
  - Electricity supply – 3000 MW of new capacity (coal and wind) by 2020, compared with 500 MW in reference case
  - New fossil fuel production by 2020
    - Coal-to-liquid refinery - 45,000 barrels per day
    - Conventional refinery – 150,000 barrels per day
    - Coal bed methane – 1690 MMcf/day
    - Coal mining – 6.4 million short tons annually

# Next TWG Call

- Development of Options in Bins B and D will occur in February (via conference calls/email)
- Next TWG call Agenda:
  - Discuss and develop draft straw proposals for priority options in lead-up to CCAC meeting
  - Review the Montana emissions inventory and projection if/as needed



# Public Input, Announcements