

# Alaska Energy Policy Task Force

*Created by the 23<sup>rd</sup> Alaska Legislature*

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## **Approved Minutes of the March 30, 2004**

### **Meeting of the**

### **Energy Policy Task Force (EPTF)**

AIDEA/AEA Board Room

Anchorage

**Call to Order:** Chair Barry called meeting to order.

**Roll Call:** Members present were Chair Mike Barry, Red Boucher, Steve Haagenson, Dave Carlson, Wayne Carmony and Robert Wilkinson, with Tom Boutin online. **Staff:** Becky Gay and Bernie Smith (EPTF.)

**Others attending:** Joe Griffith of Chugach Electric Association (CEA), Don Zoerb of Matanuska Electric Association (MEA) Bob Chaney of SAIC, and Jerry Burton, Regulatory Commission of Alaska (RCA.)

**Approval/Changes to Minutes of March 9, 2004, and January 28, 2004 meetings:**  
Minutes were approved as presented, no objection.

**Presentation on Southcentral Gas Supply Study by Charles Thomas, Dept. of Energy, Fossil Fuel:** Thomas talked through a Power Point presentation describing the study and its objective to determine future demand and supply of natural gas in South Central Alaska (Cook Inlet Basin) and evaluate options to meet the short-, intermediate- and long-term demand.” A detailed history and exploration future was described of the Cook Inlet basin, noting that historically all exploration in that area has been for oil, so virtually all gas has been found by “accident” and prior to 1970. Final conclusion was a potential of 2 to 3 Tcf in Susitna Basin and Lower Cook Inlet, with 20 to 25 Tcf technically recoverable, projecting 12 to 17 Tcf in Upper Cook Inlet. Thomas also outlined the economic modeling, describing base supply and demand for industrial consumers and for residential/commercial consumers, individually and in aggregated charts, with historic and projected detail of tariffs, North Slope supply, pipeline observations and other charts delineated.

At one point, Carmony questioned Thomas’ use of so-called “public” information and data from the “Railbelt Energy Study (RES),” saying only part of the RES was public. Griffith of CEA spoke up from the audience saying, “All of it (the RES) is public.” Carmony dropped his objection at that time. Since the presentation was considered still “subject to review and change,” observations were made, not conclusions, such as “Sufficient conventional gas for commercial and residential consumers through approximately 2015 with the existing reserves base, industrial users of LNG will be impacted sooner, and with assumed reserves growth

(1.5Tcf) sufficient gas through 2025 for commercial and residential consumers and perhaps one industrial user.” The final report is due May 1, 2004.

**Discussion of Final Report and format of document:** Chair Barry noted staff was successful in getting the deadline for the NonRailbelt report extended two weeks with permission from the Speaker of the House and Senate President (staff notified by email which was distributed to Task Force for notification last week.) This coincides with the sunset date of the entire effort, April 15, 2004. As to Format: after a demonstration of two approaches, the Task Force decided to produce a more integrated version of the Final Document, if possible. As to a Map: The desire to produce a new composite map of various energy resources around Alaska was discussed again, with staff explaining the difficulty of different map formats, etc., and the time it takes to synthesize the data. There was no map mandated in the report, but the Task Force had considered creating a statewide energy map if time permitted. At this juncture, It was agreed to instead provide map links to the various maps in existence as an appendix or throughout the text. Staff will proceed with that idea for the next draft, including maps as they might be sent by Task Force members or found to be easily printable/downloadable for the public document. A rough document was briefly considered, but discussion moved to next meeting by Chair Barry. That way, staff will get a new draft out to the Task Force members before the next meeting which includes written comments from the Task Force assignments of Kohler on PCE sections, Wilkinson on Southcentral Coastal community needs and resources and Carlson on Southeast and Four Dam Pool needs, resources current projects and the whole document opened to recommendations by all, via written comment to staff.

**Public Comments:** Staff included written comments on Coal Policy by Steve Denton of Usibelli Coal Mine in the packet. No other public comments at this time.

**Staff Report:** Gay noted recent news clips in the packet. Gay distributed legislation drafted regarding extending the Task Force, which created some discussion, no action needed since Task Force plans to have Final Report done by the deadline of April 15, 2004. Gay mentioned informally the Rural Energy Conference in Talkeetna coming up soon.

**Task Force member comments:** Boutin made socioeconomic remarks connecting “sustainability” as more than the goal of surviving the demise of PCE, especially in light of the “B” budget scenarios. Rural energy issues can’t stand alone, using as an example water and sewer, school district needs and basic children’s issues intertwined with State funding priorities, ALL facing sustainability issues in the face of the budget gap looming.

**Schedule next meeting:** The last meeting was scheduled for final draft editing of the NonRailbelt report, to begin at 10 a.m., in Anchorage at the AIDEA/AEA Board room, April 10, Saturday. Staff requested deadline of April 12 for FINAL input in order to get the document to the Legislative Print Shop for printing and delivery to the Legislature by April 15.

**Meeting adjourned at 4:00 p.m.**