

JOINT INTERIM COMMITTEE ON ENERGY
Mid-South Community College
Marion Berry Renewable Energy Center, Room MB136
2500 W. Broadway, West Memphis, AR

Thursday, July 31, 2014

The Joint Interim Committee on Energy met at 8:30 a.m. Thursday, July 31, 2014, at Mid-South Community College (MSCC), Marion Berry Renewable Energy Center, Room MB136, West Memphis, Arkansas.

Committee members present: Senators Linda Chesterfield, Chair; Ronald Caldwell, Gary Stubblefield, and John Cooper. Representatives Nate Bell, Bruce Cozart, and Micah Neal.

Alternate members present: Representatives Marshall Wright, Sue Scott, Mark McElroy, and John Hutchison

Also attending: Senator Jon Woods; Representative Deborah Ferguson, Stephen Meeks, Fredrick Smith, and Wes Wagner.

Senator Chesterfield called to meeting to order and Representative Bell was the House presider.

CONSIDERATION TO APPROVE THE JUNE 3, 2014, MEETING MINUTES [EXHIBIT D]

Senator Chesterfield asked if there were any corrections or objections to the June 3, 2014, meeting minutes, and without objection, she noted the minutes stand approved.

Dr. Glen Fenter, President, MSCC, was recognized and stated they are excited about the alternative fuels program which is gaining interest from outside agencies interested in new concepts. He offered a tour of how the model works. Dr. Fenter also stated MSCC is making modifications to its education model by merging K-12 and postsecondary education. Employers and parents support the program.

He stated in the fall there will be approximately 700 high school students on MSCC's campus and other technical centers preparing students to enter the workforce at a white collar or middle class pay rate when they leave the program. Targeted students for this program are those who lack interest in education and are likely to drop out of school. When these students are put in a position to learn how to program a computer, work on a diesel engine or repair an aircraft, they get excited and understand why education matters.

MSCC has a program where high school students, who have already proven their college preparation in terms of their ACT scores, are allowed to start college early. MSCC will have approximately 300 11th and 12th grade students taking college courses. Many will graduate high school with 20-40 hours of college credit.

Dr. Fenter stated these programs are very important when trying to break the cycle of poverty in eastern Arkansas. The best way to make certain that a young person aspires appropriately is to properly educate their parents. He stated MSCC is educating students who one day will be someone's parents.

ARKANSAS ECONOMIC DEVELOPMENT COMMISSION (ADEC), ENERGY OFFICE (AEO), REVIEW OF RULE; ARKANSAS ENERGY CODE FOR NEW BUILDING CONSTRUCTION SUPPLEMENTS AND AMENDMENTS.

Mr. J.D. Lowery, Director, AEO, AEDC, was recognized and [EXHIBITS E1, E2, E3, E4, E5, and E6] presented a review of the rule for Arkansas Energy Code for New Building Construction Supplements and Amendment noting since it was first presented in October 2013, changes were needed in order to strike a balance between the building community and the consumers and to make it easier for enforcement officials.

He stated the main change was removing the HERZ rating. A disclosure label will be required to be posted for consumers and code officials, and will not include annual operating cost. There is no longer a trade-off between the efficiency rating and HVAC equipment and insulation.

Ms. Julie McGough-Mills, Executive Vice President, Arkansas Home Builders Association, was recognized and stated they worked with AEO to come up with the best compromise, and the Home Builders Association is in full support of the rule.

Representative Bell asked if there were inspection requirements, and if so, will they be mandated in unincorporated areas.

Ms. Mills stated there will be no official inspections in unincorporated areas.

Senator Chesterfield stated that without objection the rule will stand as reviewed.

OVERVIEW “ENERGY, JOBS AND THE ECONOMY – A WORKSHOP FOR CANDIDATES AND ELECTED OFFICIALS OF THE ARKANSAS LEGISLATURE

Ms. Michele Halsell, Managing Director, Applied Sustainability Center, [PwrPt Presentation #1] University of Arkansas, was recognized and stated the center looks for opportunities to apply sustainability in real world context for real world benefits. The center is located in the Sam M. Walton College of Business; therefore, the center takes its lead from Wal-Mart which focuses on the triple bottom line, as well as economic, health, environmental or ecosystem benefits, and in recent years, energy topics.

Ms. Halsell noted the center has worked with 14 cities around the state to deliver an energy scorecard allowing mayors to understand how much energy it takes to run their city. It also gives them some strategies and policy tools to help drive reductions in energy consumption, protect the local economy from rising energy crisis, create jobs in the local community, and make their community more competitive to attract investments. The center also provides a summer energy academy for local elected officials to help them understand what is available as it pertains to energy.

The first Energy, Jobs and the Economy Workshop for Arkansas Legislators was held in 2012 and was attended by 39 legislators. Ms. Halsell stated the 89th Arkansas General Assembly created several pieces of energy legislation that are helping Arkansas to create jobs and be more competitive with surrounding states such as Tennessee, Mississippi, and Oklahoma.

Mr. Steve Patterson, Arkansas Advanced Energy Foundation (AAEF), [PwrPt Presentation #2] was recognized and noted the AAEF is the educational affiliate of the Arkansas Advanced Energy Association (AAEA) which is the business voice for advanced energy in Arkansas. AAEA is dedicated to growing Arkansas’s economy through expanded utilization of advanced energy technologies, including energy efficiency, demand response, and smart grid - innovations that make our energy supply more secure, clean and affordable.

AAEA includes more than 80 businesses and institutions and represents about 11,300+ advanced energy jobs in the state. Many companies are delivering the energy savings equipment and services that are enabled through the Arkansas Energy Efficiency Resource Standard (EERS).

Mr. Patterson stated the energy efficiency portion of today’s workshop will include panel discussions from Powers of Arkansas, Entegrity Energy Partners, which recently formed a partnership with Nabholz Construction and Viridian to provide energy services to large commercial properties in the state, and Next Gen Illumination, a LED lighting manufacturer in Arkansas.

OTHER BUSINESS

“Energy Jobs and the Economy – A Workshop for Candidates and Elected Officials of the Arkansas Legislature” [PwrPt Presentation #3]

The Energy, Jobs, and the Economy Workshop began at 9:00 a.m. and the workshop’s agenda was expected to cover the following areas: Energy 101, Energy Efficiency, Renewable Energy, Alternative Fuels, Arkansas’s Energy Future, and an Advanced Energy Tour. A flash drive containing information presented in today’s workshop was provided to workshop participants.

Senator Chesterfield adjourned the Joint Energy Committee meeting at 11:00 a.m., following the Energy Efficiency presentation.