

MINUTES
ARKANSAS ALTERNATIVE ENERGY COMMISSION
[Established by ACT 1301 of 2009]
State Capitol, Room 171, Little Rock, Arkansas
Thursday, November 1, 2012

The Arkansas Alternative Energy Commission (AAEC) met Thursday, November 1, 2012, at 10:00 a.m. in Room 171 of the State Capitol in Little Rock, Arkansas.

Commission members present: Leo Hauser, Chairman; John Gallegly, Mikel Lolley, and Debbie Moreland.

Commission members present via conference call: Warren Allen, Audrey House, Rita Potts, and Richard Smith.

Mr. Hauser called the meeting to order and recognized Mr. Lolley to lead the discussion.

DISCUSSION OF 2012 DRAFT ARKANSAS ALTERNATIVE ENERGY COMMISSION REPORT
[HANDOUT 1]

Mr. Mikel Lolley, Commissioner, explained Handout 1 is a rough second draft of the commission's report, with a near-complete introduction and preamble and a summary of topics the commission studied during the last two years.

Key information missing from the draft:

- Two PowerPoints from February 2, 2012, meeting
- A summary of the stakeholder meeting he and Mr. Hauser had with Governor Beebe
- Comments from Ron Bell, forwarded by Commissioner Moreland

Mr. Lolley explained there are four options for formatting the report:

- Summary paragraphs with active links to PowerPoints and reports on an updated website
- Incorporate an appendix and print all PowerPoints in color
- Summarize PowerPoints and do not include sources or "backup" in the report
- Generate two reports – an Executive Summary or brief that refers to a larger, more detailed report

Mr. Hauser said they need at least four hard copies of the report. Regarding the report's format, he prefers to summarize each topic in one or two lines, and create links to presentations on a well-maintained website. However, he cited maintaining the website as a barrier.

The commissioners agreed to format the report as an executive summary that includes the introduction, preamble, and recommendations. A full report that includes topics studied and PowerPoints will be included behind the executive summary.

Mr. Lolley said the next steps are identifying recommendations; assigning a commissioner to report on those recommendations; and compiling the final draft on November 15.

The commissioners agreed:

- Mr. Allen will make recommendations for utilizing compressed natural gas.
- Mr. Lolley and Ms. Potts will make recommendations for bioenergy, co-generation and energy alternatives for Arkansas.
- Ms. Moreland will make recommendations for Property Assessed Clean Energy (PACE).
- Mr. Hauser will combine energy efficiency and unencumbered wealth, and write recommendations.
- Mr. Gallegly will combine net-metering and feed-in tariff, and write recommendations. He noted his recommendations would include amendments to the commission's 2010 feed-in tariff recommendation.

Mr. Lolley identified problems with past PACE legislation:

- Introduced too late during the session.
- Legislators had preconceived notions and were misinformed about PACE, noting encumbered mortgages by Fannie Mae and Freddie Mac.
- Districts for PACE need to be defined.

Mr. Lolley asked if it is acceptable to include informational pieces such as maps or charts from websites like “DSIRE” that were not presented at commission meetings. Mr. Hauser said it is okay to use concise resources that are relevant to the topic. Ms. Moreland said added materials should be strictly informational, and the producers should not have an agenda.

In response to a question by Mr. Lolley, the commission will recommend that Arkansas needs a State Energy Plan.

The commissioners agreed to include a section for suggested areas of study.

- Ms. House recommended listing hydropower, geothermal energy, and waste to energy.
- Mr. Lolley suggested listing combined heat.

Mr. Hauser asked John Bethel, Executive Director, Arkansas Public Service Commission, to add comments if the commission’s report does not properly place or represent his remarks.

Mr. Lolley said he would collect and incorporate recommendations into a new draft and send that to commissioners prior to final discussion at the November 15, 2012, meeting.

Mr. Hauser thanked the group for their effort in putting together the report.

He explained, with seven commissioners present, he does not see a quorum, so the October 18, 2012, meeting minutes will not be approved at this meeting.

The next meeting is November 15, 2012, at 10:00 a.m. at the State Capitol.

With no further business, the meeting adjourned at 11:10 a.m.