

MINUTES
ARKANSAS ALTERNATIVE ENERGY COMMISSION
[Established by ACT 1301 of 2009]
State Capitol, Room 171, Little Rock, Arkansas
Thursday, November 29, 2012

The Arkansas Alternative Energy Commission (AAEC) met Thursday, November 29, 2012, at 10:00 a.m. in Room 171 of the State Capitol in Little Rock, Arkansas.

Commission members present: Warren Allen, Kurt Castleberry, Jessica DeLoach, Mikel Lolley, and Mike Pinkett.

Commission members present via conference call: Audrey House, Debbie Moreland, and Rita Potts.

Also attending: Representative Walls McCrary and Representative-elect John Hutchison.

Commissioner Lolley called the meeting to order.

DISCUSSION OF 2012 DRAFT ARKANSAS ALTERNATIVE ENERGY COMMISSION REPORT
[EXHIBIT C]

Mr. Lolley said the draft is about 98% complete and they should vote on the final draft at the next meeting, Thursday, December 6. He noted the importance of a quorum at that meeting.

Mr. Lolley said he would add comments from Mr. John Bethel, Director, Arkansas Public Service Commission (PSC), and email a revised draft to commissioners on Monday. Ms. Potts noted, Mr. Bethel's suggestions do not change the report's content but do refine language and correct several dates.

In response to a suggestion from Ms. Moreland, the commissioners agreed to move "Acronyms and Abbreviations" and "Arkansas Codes and Titles" to precede "Appendices," and note them in the Table of Contents.

In "Suggestions for Further Study," Mr. Lolley said he added, "Measuring the jobs creation potential within each of the emerging sectors of Conservation, Energy Efficiency, and Renewable Energy."

Mr. Allen said "ACEE" in "Acronyms and Abbreviations" needs explanation.

Mr. Lolley said the last draft recommended against stand-alone electrical generation from biomass. However, some presenters supported stand-alone generation; so he changed the biofuel/biomass recommendation to include "stand-alone electrical generation from biomass where feasible, with an understanding that integration can improve efficiency significantly."

Ms. Potts said the PSC's acronym should be consistent; change "CHG" to "CNG" at the bottom of page 20; and strike "aging coal-fired generation plants" in "Natural Gas Utilization."

Mr. Castleberry said he has concerns about recommending a feed-in tariff, because the tariff increases electric rates. Mr. Lolley explained the commissioners reviewed their 2010 feed-in tariff recommendation and agreed the wording is broad and non-prescriptive enough to re-recommend it this year. Mr. Allen said the commissioners addressed details related to feed-in tariffs, such as interconnection costs, life of contracts, and requiring the PSC to set prices. Mr. Castleberry said this information eases his concerns about the recommendation.

REVIEW AND CONSIDERATION TO APPROVE NOVEMBER 15, 2012, MINUTES [EXHIBIT B]

Ms. Moreland made a motion to approve the November 15, 2012, meeting minutes. Ms. Potts seconded the motion, and the motion carried.

In response to a request by Mr. Lolley, Ms. DeLoach agreed to proof the report for formatting details, such as page numbers, table of contents, appendices, etc. She noted the October meeting date should be October 24, 2012, on pages 24, 25, 53, and 54.

With no further business, the meeting adjourned at 11:15 a.m.