

MINUTES
ARKANSAS ALTERNATIVE ENERGY COMMISSION
[Established by ACT 1301 of 2009]
State Capitol, Room 171, Little Rock, Arkansas
Thursday, June 19, 2014

The Arkansas Alternative Energy Commission (AAEC) met Thursday, June 19, 2014, at 10:00 a.m. in Room 171 of the State Capitol in Little Rock, Arkansas.

Commission members in attendance: Leo Hauser, Chair; Warren Allen, Stan Berry, Ryan Boyd, Audrey House, Rita Potts, Jessica Sabin and Joseph Wood.

Also attending: Senator Stubblefield and Representatives John Hutchison and Walls McCrary.

Mr. Hauser called the meeting to order.

REVIEW AND CONSIDERATION TO APPROVE MARCH 20, 2014, MEETING MINUTES [EXHIBIT B]

Mr. Allen made a motion to approve the March 20, 2014, meeting minutes. Ms. Sabin seconded the motion, and the motion carried.

CO-GENERATION INITIATIVES – ARKANSAS OPPORTUNITIES [PowerPoint Presentation]

Mr. Tom Howard, Vice President for Governmental Affairs, Domtar Corporation, was recognized and stated two recent biomass projects at Domtar facilities were the 2013 partnership with WE Energies in Wisconsin and the 2010 installation of a 50 megawatt steam turbine generator in South Carolina which has allowed Domtar to sell electricity to the state-owned utilities under a buy-and-sell-all agreement. This enabled their electricity generation to light an estimated 31,000 South Carolina homes from renewable virtually carbon-neutral biomass.

Mr. Howard also highlighted information concerning the Ashdown, Rothschild, and Marlboro Mills.

- The Ashdown Mill was started in 1966 and Commissioner Allen was a long-time manager. It is fueled by 75% biomass and 25% fossil fuel mix. The mill sets on 2,550 acres and has 983 direct employees. It produces 750 tons a year of free sheet paper and purchases 3.3 million tons of wood annually within 75 miles.
- The Rothschild Mill (Wisconsin) is an integrated pulp and paper mill with an area impact of over \$170 million. Partnerships include We Energies and Lignotech. This mill provides approximately 400 jobs. It is powered by the 50 megawatt Rothschild Biomass Cogeneration Plant, which uses renewable resources to generate electricity equal to that of a large wind farm. The annual shared revenue for the Village of Rothschild is \$146,650 and \$113,350 for Marathon County.
- The Marlboro Mill (South Carolina) was constructed in 1990 and was the last “Greenfield” built in North America. This mill employs approximately 320 employees.

NEW BUSINESS

Mr. Hauser suggested the commission discuss the structure of its 2014 annual report at the next meeting. Commissioners made the following suggestions concerning the report:

- Ms. Sabin suggested visiting with commission members to discuss what has been covered and make note of the relevant points.

- Ms. House reiterated Mr. Howard's message regarding return on investment; pushing toward net metering; getting incentives for businesses to make that investment; and value added and the economics of a renewable portfolio standard.
- Ms. Potts suggested meeting with returning legislators to discuss the commission's interest.
- Mr. Hauser stated the commissioners should start considering if they would like to be reappointed and if so, start working toward this.

NEXT MEETING

The AAEC will meet Thursday, September 18, 2014, at 10:00 a.m. in Room 171 of the State Capitol.

There being no further business, the meeting recessed at 11:40 a.m.

The meeting reconvened at 1:30 p.m. at Murray Lock and Dam to tour the facility.

Aaron K. McGee, Deputy Operations Manager of the Little Rock District Russellville Project Office, U.S. Army Corps of Engineers, facilitated the tour. Randy Crapps, Lockmaster, presented information about the McClellan-Kerr navigation system and specifically how Murray Lock and Dam operates. He mentioned that the McClellan-Kerr navigation system goes from the mouth of the Mississippi River to Tulsa, Oklahoma. The locks will hold up to 9 barges at one time and are in operation 24 hours each day servicing an average of 200 barges a month. There were several questions on how the lock and dam operates and the potential for more hydropower sources.