

Maryland Commission on Climate Change

Mitigation Working Group

July 13, 2017 | 9:30AM - 12:00PM

Minutes

Attendance: Ben Grumbles, Tad Aburn, Susan Payne, Larry Kasecamp, Heidi Hawkins (for Anne Lindner), Gerrit Knaap, Les Knapp, Tom Weissinger, Tom Ballentine, John Fiastro (for Chris Rice), Colleen Turner, Elliott Campbell (for Christine Conn), Brian Hug (MDE), Rich Sweetser (Exergy Partners Corp.), Brian Kerkhoven (NABTU), David Smedick (Sierra Club), Aaron Posner (Sierra Club), Richard Tabuteau (Schwartz, Metz & Wise, P.A.), Steve Charles (MDOT), Rachel Marks (MD DNR), Mike Siers (RESI), Parker Welch (MD Farm Bureau), Ashley Paulsworth (Veolia), Cheryl Arney (Climate XChange, Citizen's Climate Lobby), David Costello (IEER), Luke Wisniewski (MDE), Marissa Gillett (MD PSC), Chris Hoagland (MDE), Megan Ulrich (MDE), Jess Herpel (MDE), Patrick O'Rourke (MDE), Joe Lutz (MDE), Chris Beck (MDE),

Phone: Jana Davis, Tamara Toles O'Laughlin, Mike Remsberg, Jim Strong, Megan Goold (EPA RIII), Jim Doyle (attorney)

9:40AM Meeting Called to Order

1. Introductions

- Ben Grumbles gave a welcome, followed by brief introductions
- Tad Aburn reminded members that it is important to focus on recommendations for the 2017 Report

2. Panel Speaker

- Presentation by Brian Kerkhoven, North America's Building Trades Unions (available on the MCCC website)

3. Fossil Fuel Dependent Workers Discussion

- Tad put forward a list of potential recommendations:
 - Hire Maryland (in addition to buy Maryland)
 - Consider the quality of jobs being replaced, not just the quantity
 - More research on the potential of carbon capture opportunities
 - Training (partnerships and collaboration); make sure the MD workforce is prepared
 - More research on the potential of advanced nuclear opportunities
- Regarding "hire MD", it was proposed by Jim Strong that the tax credit itself should include a labor agreement. Kerkhoven also noted that there are existing codes which require workers be paid the 'prevailing wage', so that outside firms can't undercut the local labor market.
 - It was agreed that Jim Strong and Larry Kasecamp would have a role in crafting the specific language for moving this recommendation forward.
- Jim Strong proposed that lasting job creation is in the manufacturing sector; therefore it would be beneficial to have a requirement to buy materials and goods for projects locally (made in USA or made in Maryland) protects both local economy and environmental interests.
 - David Costello put forward that this is not a renewables only issue, but a broader (economy-wide) problem as it relates to the energy sector.
 - Tad reminded the group that a manufacturing study is due as part of the law, and this may be something that we can look into in more depth for that study
- Tom Ballentine proposed that we should look into getting numbers for actual expected displacement of workers, and geographic location. Additionally, look into how the future climate may change worker productivity, and construction seasons.
- Les Knapp suggested that we look further into small modular reactors (nuclear), and the workforce etc. which would be involved in this type of plant.
 - It was noted that MEA will be an integral part of this discussion
- Marissa Gillett spoke regarding MD's current offshore wind project
 - There is a certain percentage of total capital expenditures that must be spent in state (not specified what type of expenditures)

- There are specific levels called out for in-state direct jobs created
- John Fiastro stated that it would be infeasible for manufacturing in the U.S. for wind turbines, since we do not have a large enough ongoing demand for the product.
 - Marissa noted that part of the current wind project is investment in a manufacturing plant for certain components, but that this plant is being set up in a way that it is usable for other manufacturing which makes it sustainable.

4. RGGI Update

- Presentation by Luke Wisniewski, MDE (available on the MCCC website)
- Dave Smedick wanted to highlight that the pricing models are encouraging as they show that the more aggressive policy scenarios give more benefit with comparably lower increase in prices. He also suggested that the MWG may consider generating a comment to submit during the program review.
- Elliott Campbell inquired regarding terrestrial carbon sequestration as a part of RGGI
 - Offset categories include reforestation, but there has not really been a market thus far
- David Costello asked whether the public would be provided information on the expected cost increase of energy on their monthly bills
 - A bill-payer analysis is expected but in the past it has been done after other program elements were decided; the timeline is currently uncertain as it relates to the next public meeting in MD

5. Combined Heat and Power

- Presentation by Richard Sweetser, Exergy Partners Corp. (available on the MCCC website)
- Comments included:
 - Maryland currently has some projects in the works, including wastewater treatment plants and agricultural sites; if digesters are already on site this is a particularly good option
 - Companies may use CHP to reduce operational costs (cost of energy) which can help them to retain jobs, particularly as energy prices increase
 - For CHP to be feasible, it is important to have a good coincidental thermal load; not for every situation
 - Additional benefits of CHP include reduced grid congestion during peak times and less land-use concern (compared to wind/solar farms)
 - Veolia mentioned their steam loop in the city, and that thermal load tends to get forgotten when incentive programs are designed; large heat sinks for CHP systems include hospitals and biotech.

6. Other Business

- Upcoming – August’s meeting (Transportation)
 - This meeting is likely moving due to a conflict for MDOT, the lead agency for the topic. The members and stakeholders will be notified as soon as a new date is confirmed.
 - The steering committee is looking for recommendations in the first week of September. Staff will put together a list of what has been discussed for circulation in the upcoming weeks.

7. Public Comment

- David Smedick (Sierra Club): Urged the working group to consider this meeting’s information and discussion carefully in conjunction with that from the April meeting.
- Cheryl Arney (Citizen’s Climate Lobby, Climate XChange): Noted the work of Climate XChange as it relates to providing information to policy-makers and the Climate Solutions Caucus. Citizen’s Climate Lobby is working at the federal level on their program which places a price on carbon with dividends returned (revenue neutral). She inquired as to the role of the Climate Commission if this program started moving forward in Maryland.
 - The Commission tends to provide advice prospectively on meeting goals, rather than reactionary consultation; therefore it is unlikely to play a large role if any.
 - Another member of the Citizen’s Climate Lobby has been invited to give a brief presentation at an upcoming meeting on their proposed federal program.

12:00PM Meeting Adjourned