



MEETING SUMMARY
MICHIGAN CLIMATE ACTION COUNCIL
Agriculture, Forestry and Waste (AFW TWG)
Call #10, September 25, 2008

Attendance:

TWG members: George Mozurkewich (TLU member, Citizen), Ken Dahlberg, Carrie Volmer-Sanders, Frank Krich (TLU Member, Chrysler), Jim Byrum, Cara Boucher (DNR), Donna LaCourt, Duane Roskoskey, Steve Shine, Brian Warner, Charles Griffith (TLU member, Ecology Center of Ann Arbor), Michelle Crook

Center for Climate Strategies: Steve Roe, Jackson Schreiber

Michigan Department of Environmental Quality: Terri Novak, Steve Kulesia, Marcia Horan

Members of the Public: None

Background Documents: (<http://www.miclimatechange.us/AFW.cfm>)

1. Meeting Notice and Agenda
2. PowerPoint for Teleconference
3. Summary of Call #9
4. Policy Options Document

Discussion and Key Items:

Review and approve prior call summary

Ken Dahlberg articulated his additions regarding the level of monitoring and research that has gone towards organic farming to the Call Summary. These changes will be added. The previous Call Summary was approved, pending Ken Dahlberg's additions.

Inventory and Forecast

There was a question regarding the soil carbon estimates used in Michigan. One TWG member wanted to investigate whether the data being used for Michigan is appropriate. A detailed citation will be sent to the TWG for their review.

Review Policy Options Document

AFW-7:

A discussion of the TWG's consideration of organic farming practices will be included in the POD under Feasibility Issues.

Biomass Supply

- There was some concern voiced by the MCAC as to the demand for biomass resources and the sustainability of this resource across the AFW sectors, particularly from forest resources.
- It is possible that some of the biomass going towards liquid biofuels production would not be needed, if the AFW goals for cellulosic ethanol production were aligned with the cellulosic consumption projections of the TLU biofuels option. CCS will also review the

gasoline forecast to assure that there is alignment with the TLU analysis and that recent actions (Federal CAFE standards) have been included.

- The 24 million acres that are estimated from timberland may be overly optimistic. There was discussion of whether the dry tons/acre of timberland figure is accurate. Some TWG members suggested a higher figure may be more accurate.
- TWG members will work with CCS offline to improve the estimate of biomass supply potential for the state. This revision will be used in comparisons of biomass demand driven by AFW-1, AFW-2, BAU biomass use, and any incremental use from the energy supply TWG. The revised estimates could include safety factors to lower the potential for over-estimates and potentially address the issue of accessibility to the overall forest biomass resource.
- It was decided that the targeted percentage of estimated resource use will approach 100 percent (not to exceed it, as is currently estimated at 104 percent).

AFW-1

- The AEO projections of coal prices are probably not accurate. More specific information will be sent to CCS (joseph.pryor@pechan.com) to have numbers the TWG is more comfortable with.

AFW-2

- One TWG member provided a forecast of ethanol production for Michigan (both corn and cellulosic), which had significantly lower cellulosic ethanol projections than found in the current version of AFW-2. These ethanol numbers represent total agricultural (non-forestry or MSW biomass) biofuel potential for Michigan. This information will be sent to the TWG.
- There was a question of whether the 25% of fuels replaced by 2025 was applied in this analysis, and if that would be appropriate. This is not applied to the TLU-1 quantification. CCS indicated that an important issue for the TWG to consider was to what extent should the biofuels to be consumed within the State be produced within the State. In the near-term, ethanol imported into the State is likely to be corn-based (with much lower GHG reduction potential than cellulosic ethanol) and that also raises other broader concerns (the fuel for food debate; contribution to the anoxic “dead” zone in the Gulf of Mexico associated with nitrogen run-off from Midwest agriculture).
- Overlap between AFW-2 and TLU-1 was discussed. AFW-2 looks at the societal cost of biofuel production, whereas TLU-1 looks at the societal cost of biofuel distribution and consumption. Therefore, it is not surprising that the two analyses have different estimates of cost effectiveness.
- CCS will revise the AFW-2 analysis once the biomass supply potential is revised. CCS will factor in any changes to the gasoline forecast and in-state corn-based ethanol production during the revised analysis. The amount of cellulosic ethanol to be produced in-state will be limited by the available biomass supply. The remainder of ethanol needed to meet the goal will be assumed to come from out of state corn-based sources. TWG members are asked to provide their concerns with this approach ASAP to CCS: jackson.schreiber@pechan.com.

AFW – 7

- Mention should be made of the full benefits of local foods, in terms of reduced packaging and other benefits.

AFW-9

- There was a concern raised that the analysis for this does not correctly account for the issue of recycling at construction/demolition sites. CCS (brad.strode@pechan.com) will follow up with the TWG member to discuss this issue and make revisions to the analysis.

Next Steps

- CCS will update the AFW POD based on the discussions described above.
- TWG members need to review the existing POD for today's call and provide additional material, where needed on Implementation Mechanisms, Key Uncertainties, Additional Benefits and Costs, and Feasibility Issues. Below are the relevant CCS technical leads:
 - AFW-1. Joe Pryor: joseph.pryor@pechan.com;
 - AFW-2, 4, 8. Steve Roe: steve.roe@pechan.com;
 - AFW-3, 5, 6, 7. Jackson Schreiber: jackson.schreiber@pechan.com;
 - AFW-9, 10. Brad Strode: brad.strode@pechan.com.

Agenda, Time and Date for Next Meetings

The next AFW TWG meeting is scheduled for Thursday, October 30, from 1:00 to 3:00 pm. The Final Council meeting will be held on November 20-21 in East Lansing.

Public Input and Announcements

No Comments

Thank you to everyone who participated on the call and contributed to the discussion of these issues.