

Energy Resources Council Meeting

Minutes

Date November 15, 2013

UW Energy Innovation Center

7:50 a.m. – 10:35 a.m.

Thursday, November 14, 2013

Working Dinner

6:00 – 8:00p.m.

Joint Meeting with UW BOT – Working Dinner – UW Conference Center/Hilton Garden - Salon C

Joint Discussion & Presentation –

- *Paul Lang (10 minutes)- State of SER*
- *Dave Palmerlee (5 minutes) – Observations*
- *Tim Considine – (15 minutes) Update of the Center of Energy Economics & Public Policy Projects*
- *Mark Northam (10 minutes) –*
 - *Challenges & Opportunity of Leadership Changes*
 - *Tier 1 – implementation*
 - *Fund Raising – Private Sector Partnership*

Energy Resources Council Meeting

Energy Innovation Center - University of Wyoming

Friday, November 15, 2013

8:00AM

BP Collaboration Center – Energy Innovation Center

- 1.) Approval of Minutes from August 23, 2013
- 2.) New Leadership Changes at UW – Mark Northam
- 3.) BOT provision for hiring and reviewing SER Directors – Mark Northam

- 4.) Division Updates
 - Outreach- Upcoming events & Future Plans – Mary Byrnes
 - Research—Center of Excellence - Diana Hulme
 - Academics— Faculty Recruitment Update – Mark Northam
- 5.) Budget – Review and Forecast – Mark Northam
FY 2013/2014 SER Budget
\$10M Strategic Plan – Update & Future Projections
- 6.) High Bay Research Facility – progress and funding – Mark Northam
(15 Minutes)
- 7.) College of Engineering Tier 1 Implementation - Mark Northam,
Khaled Gasem, Tom Botts (45 Minutes)
- 8.) Barriers to Exporting Coal Study - Plan and Discussion – Mark
Northam
- 9.) Plan for CCS – Mark Northam
- 10.) Executive Administrative Assistant - Update Mark Northam
- 11.) New Business – Directions for next meeting
- 12.) Adjourn

BOT/ERC Meeting Minutes November 14, 2013 – UW Conference Center

BOT members in attendance: Dave Bostrom, John MacPherson, Jeff Marsh, Dave True, Larry Gubbels, Wava Tully, Betty Fear, Brad Mead, Warren Lauer, Dick Davis, Miller, Dave Palmerlee

ERC members in attendance: Tom Botts, Indy Burke, Rob Wallace, Paul Lang, Carl Bauer, Jim Anderson, Chris Boswell, Jeane Hull, Dave Palmerlee

Others in attendance: Khalid Gasem, Tim Considine, Nadia Kaliszewski, Abby Scott, Diana Hulme, Mary Byrnes, Mark Northam, Cath Harris, Bill Gern, Ben Blalock, Pam Anderson, Dick McGinity, Chris Boswell, Rob Hurless

7:25pm Call to Order by Trustee President Bostrom and turned over to ERC Chairman Paul Lang.

Lang remarked about the ERC changes the past year, introducing Senator Jim Anderson, Tom Botts and David Emery who are joining the council. Introductions made around the room.

- Chris Boswell remarked that the following energy funds - \$7.9M engineering facilities, \$8.5M new state appropriations to meet UW's commitment for Tier 1 attainment for college of engineering, \$15.5 requested in matching funds for High Bay Research Facility.

Dave Palmerlee - announced the resignation of President Sternberg and that Dick McGinity is to be acting president and the senior level changes made by President Sternberg prior to his resignation will remain with this transition. Commented that the BOT is committed to support ENR and SER into the future, BOT supports initiative to support energy, natural resources and agriculture.

Dave Bostrom noted that he impressed with the representation on the ERC and the cooperative efforts between SER, ENR, and the BOT. "Our product is students, we're not doing our job if we're not listening and creating the right environment to produce the desired result."

ERC Chairman Paul Lang discussed a few of the changes in the ERC, including the retirement of Ron Harper and the appointments of Tom Botts, Jim Anderson, and David Emery. The chairman discussed the overlap and ongoing work the Tier 1 initiative through the leadership of Tom Botts, Tom Lockhart, Mark Northam, and Paul Lang. Lang mentioned the success of the opening of the EIC and the job placement rate of the first graduating class of the ERMD degree program. Lang said he believes SER is still relevant to all the energy industries operating in the state and called out the challenges – particularly the decline in Powder River basin coal. Paul thanked the BOT for its support.

Tim Considine presented the attached PowerPoint on the status of the Energy Economics and Public Policy Center.

Mark Northam presented the state of the School of Energy Resources, highlighting the areas of concentration - unconventional reservoir extraction and value-added investment of extracted resources, the opening the Energy Innovation Center, student progress and SER's commitment to Tier 1 status of the Engineering College. (PowerPoint attached.)

Paul Lang remarked that SER is committed to education and job placement, maintaining a meaningful resource to the state, collaborating with industry and conduct research and education without silos.

Dick McGinity expressed support for template that SER has provided the university in demonstrating leadership through collaboration throughout the university and suggests that more is come.

Dinner meeting adjourned at 8:35 PM.

Energy Resources Council Meeting

Energy Innovation Center - University of Wyoming

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7:55 a.m. Called to Order by the Chairman

Approval of Minutes from August 23, 2013: Motion to approve made by Tom Botts, seconded by Carl Bauer and unanimously approved by the council.

New Leadership Changes at UW: Mark reviewed the changes in leadership at UW. Dick McGinity is Acting President, replacing President Sternberg. Leadership changes made under the former president will remain in place. Please see page 7 of the notebook document for additional information of changes with the addition that the College of Education interim dean is Michael Day.

BOT provision for hiring and reviewing SER Directors Mark reviewed the policy changes that the UW BOT approved during its meeting of September 2013 in reply to legislative mandate. The ERC will be involved in the selection process of the director and deputy directors and will be included in annual performance reviews of the deputy directors. After the first of the year, metrics/goals will be articulated for the deputy directors and shared with the ERC for their review and input.

Note: At the meeting, the ERC members expressed concern that no ERC member is included in the selection processes. However, upon further reflection and analysis by SER staff, it was discovered that the suggestion of the ERC presented to the BOT through the provost was indeed taken in near verbatim form. In addition, Chairman Lang had a follow-up conversation with Chris Boswell and the understanding of the role of the ERC in the selection of a new Director is considered a key to the process by the university.

The ERC will not be involved in the selection process for public art at the UW. This was also in reply to the legislation of 2013.

Division Updates

Outreach - Upcoming events & Future Plans: Mary Byrnes reviewed the recent events conducted by the SER including the: CERC October 2-4 meeting, Wind Technology International Conference Oct 7-9, Landscape Discussion on Energy Law in Wyoming – Nov 13 and four distinguished speakers with a lead off of Tom Botts. Arrangements are underway for the 4th International Advanced Coal Conference to be held in Queensland, Australia.

The ERC was asked if they advise legislative involvement in the event in Queensland. Representative Lockhart suggested an opportunity be offered to Representative Tim Stubson and Senator Eli Bebout. Jim Anderson requested that he be invited to attend to further his outreach and knowledge of global markets. Both Representative Lockhart and Senator Anderson explained that the LSO has travel money for legislators to attend such events.

Research — Centers of Excellence: Diana Hulme reviewed a research paper coauthored by SER staff members Nikhil Shetty, Josh Clark and Diana Hulme “Providing Progression of Immersive Visualization Technologies” will be presented at Super Computing 2013 on November 22, 2013 in Denver. Carl Bauer requested that real data use be developed in future papers and also at the live presentation. Diana explained that Fig. 8 of the article is Mohammad Piri’s data and that the use of real data will be highlighted at the presentation of the paper.

Diana reported that two candidates for the technology manager position will be interviewing in December and will hold campus-wide seminars as part of their interview process.

Tom Botts inquired if fees are being charged for research use of the 3-D Cave. Diana explained that SER is not charging at this time but will plan to execute agreements that will result in mutual benefit to all parties.

Academics — Faculty Recruitment: Mark Northam, on behalf of Don Roth, who was traveling, reviewed that 25 of the 73 ERMD students are on Hathaway scholarships. SER will no longer sit on search committees for the College of Business. SER will remain financially supportive of the Energy MBA program by supplying \$400,000 for the next five years and then will reassess the program. SER is supporting and is on the search committee for the department chair of the Petroleum Engineering Department. SER is looking into offering a focus on health and safety in the ERMD program that would link with the college of health sciences. Currently 15 students are enrolled in the ERMD-Landman focused program. Seven ERMD program graduates are expected in the spring of 2014, and many are engaged in internships on and off campus.

Budget - Review and Forecast

FY 2013/2014 SER Budget: Mark reviewed the current FY14 Budget and explained expenditures are on target accounting for the budget reduction and also re-purposed SER funds to support computer clusters, IOR laboratory equipment and other instrument investments.

\$10M Strategic Plan – Update & Future Projections: Mark reviewed the budget for the strategic areas of concentration of which a portion will be deployed in support of creating a Tier 1 college of engineering by hiring three faculty members. Carl Bauer suggested the budget be clearly tracked to demonstrate the overlap of Tier 1 and the areas of concentration.

High Bay Research Facility – progress and funding: Mark reviewed the current plans for the High Bay Research Facility outlining the current budget and requirements for future fund raising from instrument makers, service sector of the oil and gas extraction industry and opportunity for spin-out companies for tailored fracturing fluids. Priority levels were reviewed particularly, #3 Geomechanics lab, which is designed to attract and hire talent to support petroleum engineering in the area of behavior of fracturing fluids. The High Bay Research Facility is also to serve as the decant space for the College of Engineering while construction of the new college takes place over the course of four years.

College of Engineering Tier 1 Implementation: Khaled Gasem reviewed the mechanism for Tier 1 implementation plan of the college of Engineering with proposed budget. Please see pages 26-33 of the notebook with budget attachments. The proposed budget requires new funds diverted to the college of engineering through SER and other UW sources. An operational plan will be available before the legislative session on January 15, 2014 for the taskforce. The leadership group creating the Engineering Initiative Workgroup (EIWG) includes College of Engineering leadership, students, faculty, staff, national advisory board members, SER member, College of Arts and Sciences, ERC member and other industry partners. This group is designing the implementation plan in collaboration with the taskforce. The draft plan will be prepared by December 20, 2013.

Barriers to Exporting Coal Study - Plan and Discussion: Mark Northam presented a draft plan to isolate the issues impeding the export of Powder River Basin coal, (see page 34 of the meeting notebook). The proposal is in response to the conversation former President Sternberg had with Representative Tom Lubnau. SER was asked to study barriers to exporting Powder River Basin coal through the northwest of the United States. The council members suggested SER organize a problem statement and a summary of the issues to determine if there is a role for the SER in facilitating a conversation between the various stakeholders so as to support the effort.

Plan for CCS – Mark Northam explained that Ron Surdam will retire on January 31, 2014 and that Carl Bauer could potentially become interim director to refocus the Carbon Management Institute research into two areas: carbon capture and enhanced oil recovery storage. Carl will also assist in the search plan for a full time director. Carl would work on a part-time, temporary basis through a contract and will continue to serve on the ERC. The

work on the WYCUSP storage project is now complete and there is a remarkable set of data studying storage from this project.

Executive Administrative Assistant – Update: Mark Northam explained that three candidates will be interviewed on November 22, two are current employees of UW and one is an outside candidate. A hire is most likely to be in place in January 2014.

New Business – Directions for next meeting

There was no new business. Direction for next meeting was to accommodate an update and discussion on Tier 1 implementation progress and refocusing of CMI.

Meeting adjourned at 10:35 a.m.

Respectfully Submitted:

Paul Lang
Chairman

Tom Lockhart
Vice-Chairman