

Energy Resources Council Meeting (ERC)

Minutes

August 19, 2016

Energy Innovation Center

8:00 AM – 12:00 PM

CALL TO ORDER:

The meeting was called to order at 8:15 AM by Chairwoman Hull.

ATTENDANCE:

ERC Members Present

Sen. James Anderson (Natrona), Carl Bauer, Sen. Eli Bebout , Tom Botts, Rep. Tom Lockhart, Dave Emery, Cindy Crane, Vello Kuuskraa, Dave True, Laurie Nichols and Jeane Hull.

ERC Members Absent

Rob Wallace and Doug Wachob

SER Staff in Attendance

Mark Northam, Diana Hulme, Rob Hurless, Trish Steger, Richard Horner, Kim Shannon, Pam Henderson, Emma Jane Alexander, Steve Carpenter, Kipp Coddington, Kimmie Takaki and Rachel Ferrell.

Others Attending

Brett Befus

MEETING ITEMS BY DETAIL:

Approval of Agenda

Action: A motion was made by Mr. Bauer to accept the agenda with the following change: add item, Director's Statement, prior to Division Updates. It was seconded by Vice Chairman Lockhart. Motion passed without objection.

Approval of May 2016 Minutes

Action: A motion was made by Senator Bebout and seconded by Vice Chairman Lockhart to accept the minutes with the following change: add Vello Kuuskraa as present. Motion passed.

DIRECTOR'S STATEMENT

Dr. Northam provided a snapshot of the budget reductions to the School of Energy Resources. It was anticipated that SER would undergo a 10% decrease to their operating budget for the upcoming biennium. A 9.9% percent decrease, approximately two million dollars, was the actual

reduction. SER accomplished this reduction mostly through staff reduction. 9.5 positions were eliminated. These positions were eliminated through natural attrition and retirements; therefore it was not necessary to reduce commitments across the campus i.e., graduate assistant positions, research, faculty and programs. Some internal functions of SER will be reduced, such as the Outreach program. When it is possible to re-hire positions, Outreach will most definitely be targeted for re-growth. If further reductions become a necessity, opportunity creation especially within the Centers of Excellences would be reduced, as well as possible reductions in the number of graduate assistant positions and possibly programming with other colleges. Albeit, if this type of reduction were to occur SER would collaborate and negotiate closely with the individual deans.

Comments: Senator Bebout asked President Nichols how the University felt about even reductions for the University (block grant) and SER (non-block grant). President Nichols responded that she would like to see even reductions, however she recognized the uniqueness of the SER and the opportunities the school provided. She would be open for continued discussions to take place should further reductions become necessary.

President Nichols addressed the council and reminded them of the goal to reduce the overall university's budget by \$41 million dollars over the next biennium. It was anticipated that FY 17 budget would be reduced by \$19 million and FY 18 budget would be reduced an additional \$15 million. Currently the University of Wyoming has met a reduction of \$18 million and anticipates that it will meet the full \$19 million reduction by the first of January 2017. This was accomplished mostly through staff and faculty reduction via the early retirement incentive. To date there have been 86 retirements and over 100 staff vacancies. It is anticipated that more will take place. In order to achieve the \$15 million reduction for FY 18, it will be necessary for the UW to look at downsizing or possibly eliminating programs and services. The UW has assigned a Financial Advisory committee to assist with a plan for further reductions within the university and it is hopeful that a plan will be ready by the end of October 2017. Additionally, the UW is beginning the undertaking of a fully comprehensive 3-5 year strategic plan for the university. A leadership team should be appointed by September 2016 and a completed plan available by April or May 2017.

Comments: Mr. Botts requested commentary from President Nichols in regard to the possible elimination of degree programs and changes to teaching loads for faculty. President Nichols responded that while there may be a need to eliminate some programs, eliminating degree programs with tenured faculty would be a very difficult and arduous undertaking that would need to be authorized by the Board of Trustees. She acknowledged that after review of current teaching loads by the UW faculty and the UW regulations it had become clear that UW faculty were not meeting the standardized teaching loads required by the UW regulations. To this end, changes were being implemented to bring about conformity with the regulations.

Senator Bebout commended President Nichols for her efforts to hold a statewide dialogue regarding changes for the UW and soliciting meaningful communications regarding the future growth and goals of the university. He encouraged her continued communication throughout the state.

Dr. Northam informed the council the UW had recently hired a new provost, Kate Miller. Dr. Miller was unavailable to attend the current meeting, but would be extended an invitation to the next meeting.

DIVISION UPDATES

Full copies of all SER division reports are available in the **May 2016 ERC Notebook** or upon request.

Research

Comments/Tasks: None

Outreach

Comments/Tasks: None

EE&P/CMI

Comments/Tasks: Senator Bebout asked Mr. Coddington to offer his comments on the State of Wyoming's investment in projects such as the Integrated Test Center (ITC) and XPRIZE. Mr. Coddington stated that although he could not predict the outcomes he commended the state's foresight in placing such perfectly timed investments in carbon capture projects as they fit seamlessly with policies dictating carbon emission mitigation.

3D Visualization Lab

Comments/Tasks: None

Academic

Comment/Tasks: Senator Bebout asked what was being done to educate the public about energy and the important role it plays in society. Dr. Northam replied that he was working to develop a statewide governance board which would assist in providing new resources to up and coming educators, develop new curriculum and provide in-service training for existing teachers. It may take up to 2-3 years for implementation. The Wyoming Energy Education Initiative (WEEI) leadership team would host dialogue sessions statewide with school boards and principals regarding the need for new curriculum and teaching practices. Dr. Northam provided the ERC council with a copy of the WEEI proposal. (Proposal available upon request)

EORI

Comments/Tasks: None

Special Projects – Carbon Management

Comments/Tasks: Chairwoman Hull inquired as to the funding for the chosen proposals and Mr. Horner informed her funding for the twelve proposals would derive from the original appropriated funds. Mr. Emery requested clarification as to the involvement of Idaho National Lab (INL). Dr. Northam responded that INL has a very active and advanced energy program, mostly nuclear. INL is currently interested in using their nuclear research in tandem with SER carbon management research. Senator Bebout questioned the timeframe for buildout of a plant and implementation. Mr. Horner responded it would mostly likely take five to seven years, but this was dependent on private enterprise involvement, availability of funds and timing of the markets. Mr. Botts inquired whether it was more economical to take coal to asphalt or coal to fuel. Mr. Horner replied that it would be more feasible to produce asphalt and asphalt-related products.

SER Budgets

Summary: Rachel Ferrell presented the SER financial documents and explained that although the UW was going through the process of converting to a new financial system the council would not actually see results of that transition until possibly September 2017. During this time and perhaps for a while longer, the SER financial reports were being generated via QuickBooks. Several changes were referenced: Research and Outreach budgets are now titled Operations, Carbon Management is now titled EEP – CMI; Administration remains the same except all staff salaries have been moved into one line item and Academics will remain the same.

Comments/Tasks: Senator Bebout questioned why salary amounts appeared greatly reduced for FY17 compared to FY16. Dr. Northam explained this was due to the reduction of 9.5 staff positions that have not been replaced and were not expected to be filled during FY17.

COAL REPORT

Summary: The SER Coal Report (available upon request) was presented in its draft form to the Joint Minerals Committee and was well received. SER's focus will continue to be on policy, procedures and markets, but it is also a first step toward a stance on global warming. The final document is due September 2016. Dr. Northam requested that the council review the draft and send any amendments or changes to him directly.

STATUS UPDATE OF HIGH BAY RESEARCH FACILITY

The High Bay Research Facility is on schedule for the January 2017 completion date. Equipment for the facility will transfer over after start up and should be complete by March 2017. There have been some additional cost overruns due to the type of equipment being installed and a power upgrade that was required to operate the equipment. SER has agreed to cover most of the additional costs. It is anticipated the council will be able to tour the facility by the March 2017 meeting, and if not photos will be available.

FY17 ERC MEETING DATES

Summary: The following dates for FY16-17 ERC meetings was agreed upon by members of the council:

March 30/31, 2017	Note: Easter is April 16 th BOT March 22-24th
May 18/19, 2017	Note: Memorial Day is May 29th BOT May 10-12th
August 24/25, 2017	Note: BOT No Information Available Note: Veteran’s day is November 10 th
November 16/17, 2017 (UW BOT) tentative	BOT No Information Currently Available

New Business/Directions for Next Meeting

Summary: If possible, the council would like to invite Dr. Mohammad Piri to the November meeting.

Adjournment

Representative Lockhart proposed adjournment and it was seconded by Ms. Crane. No objections. The meeting was formally adjourned at 12:10 PM.

Respectfully submitted:

Jeane Hull
Chairwoman

Tom Lockhart
Vice-Chairman