

Energy Resources Council Meeting (ERC)
MINUTES
March 31, 2017
Energy Innovation Center
8:00 AM – 2:00 PM

CALL TO ORDER:

The meeting was called to order at 8:13 AM by Chairwoman Hull.

ATTENDANCE:

ERC Members Present

Sen. James Anderson (Natrona), Carl Bauer, Sen. Eli Bebout (phone) , Tom Botts, Tom Lockhart, Dave Emery, Doug Wachob, Vello Kuuskraa, Dave True (phone), and Jeane Hull (phone).

ERC Members Absent

Rob Wallace and Cindy Crane, Laurie Nichols

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, Susie Brinkerhoff, Kyle Summerfield, Nikhil Shetty and Rachel Ferrell.

Others Attending

Brett Befus, E.G. Meyer, Ben Blaylock, Michael Pishko, Kate Miller and Chris Boswell

MEETING ITEMS BY DETAIL:

Approval of Agenda

Action: A motion was made by Senator Anderson to accept the agenda as provided. It was seconded by Mr. Lockhart. Motion passed without objection.

Approval of August 2016 Minutes

Action: A motion was made by Mr. Lockhart and seconded by Senator Anderson to accept the minutes as presented. Motion passed without objection.

Introduction of New Board Member and New Emeritus Member

Dr. Northam informed the board of the appointment of Wyoming State House Representative, Mike Greear, to the Energy Resource Council. Representative Greear, a former Clearmont, Wyoming resident, is a lawyer in Worland, Wyoming. He has served approximately ten years

with the Wyoming legislature and is currently the House Chair for the Joint Mineral Committee and a member of both, the Energy Council and the Management Council. The Governor has also appointed Tom Lockhart as an emeritus member of the Energy Resource Council and Senator Jim Anderson as the Senate representative. Senator Bebout will be an alternate for the Senate representative.

Nomination of New Vice Chairman

Chairwoman Hull called for nominations for the new Vice Chairman. Mr. Bauer nominated Senator James Anderson. Senator Bebout seconded the motion. All in favor; motion passed.

DIVISION UPDATES

Full copies of all SER division reports are available in the **March 2017 ERC Notebook** or upon request.

Research

Comments/Tasks: None

Outreach

Comments/Tasks: None

EE&P/CMI

Comments/Tasks: Mr. Bauer explained to the council it is unknown if Carbon Management Institute will receive further Department of Energy (DOE) grants for carbon storage as their current budgets have been reduced by approximately 50%. However, as supported by Dr. Northam and Mr. Kuuskraa, there is every reason to be hopeful and a good possibility of additional funding for current projects to continue to be funded for additional years.

Carbon Engineering

Comments/Tasks: Mr. Bauer spoke to the engagement of the professors and deans in the various projects and their willingness to seek intellectual properties for their research. The project reviews are going well and activities are on track. Dr. Northam added that the third floor lab is under evaluation for the possibility of placing several new occupants from the carbon engineering research in the facility since it has recently been vacated by the Piri Group.

3D Visualization Lab

Comments/Tasks: Mr. Botts questioned the fee structure for the Cave. Ms. Alexander explained that fees would only be charged to outside entities; the University of Wyoming would not be charged other than a class associated fee. Mr. Botts suggested that SER track the activity of the University of Wyoming in the Cave so as to demonstrate its value. Mr. Bauer recommended

setting the fee structure for grant purposes. Whether as matching value or as a direct fee, this should be a goal going forward.

Academic

Comment/Tasks: Ms. Henderson explained that several different efforts were underway to improve enrollment both in new recruits and in retentions. Ms. Henderson answered Senator Anderson's inquiry regarding involvement with junior colleges by explaining articulation with them is the next area of concentration to be undertaken. Ms. Hull encouraged the continued emphasis on employment recruitment for students.

SER Budgets

Summary: Ms. Ferrell addressed the council and introduced her graduate assistant, Suzy Brinkerhoff. As demonstrated by the report charts, approximately 60% of SER funding is spent in the UW colleges. The salary burden has been greatly reduced due to attrition and retirements. SER is fulfilling the mission and meeting the budget reductions for FY17. The UW continues to move forward with the installation of the new financial system. It is anticipated that the system will go live in July 2017. Provost Miller explained the UW will be going from a cash-based system to an accrual basis. Budgets will be developed across campus by each unit and reviewed regularly by the Provost. SER is part of this process, but it is being set up in the system similar to a granting agency. Some challenges in the system still remain unresolved such as being able to track section II funding, endowments etc. A lengthy discussion regarding the many challenges the UW has faced in the past in having access to accurate and timely financial reporting, as well as, the potential for the new system to address these challenges resulted and as such SER's FY18 budget discussion was postponed until the next meeting.

Comments/Tasks: Mr. Botts and Mr. Bauer asked how functional the new enterprise financial system would be by July 2017. Provost Miller replied student data would be up, the financial system would be up and running; however human resource functions will not be available until Fy18. Mr. True stated there would be about a two week transition and by July 17th it should be functioning solo. Of course, adjustments would be undertaken as needed and as available. Mr. Botts asked how the system would be able to distinguish between SER funding which is separate from the UW block grant funding or would it be co-mingled. Provost Miller assured the council the monies would not be co-mingled and that it would be up to the SER executive business manager to work toward setting up the system appropriately to reflect SER's funding to other colleges outside of SER's operational funds.

UW Legislative Update

Summary: Mr. Boswell stated the legislative session formalized the reduction to the UW Block grant, appropriations to SER, EORI and other segregated line items such as Tier I. Mr. Boswell emphasized the segregation of these line items by deliberate legislative decision and noted that each underwent individual reductions. The reduction to the UW Block grant was approximately 10%. SER was reduced by \$1M and EORI also had significant reductions. UW will see an additional \$520K reduction to the FY18 budget. It is unclear at this time if SER will also see further reduction. Other budget action involved the investment returns for the Excellence Chairs endowment which will be significantly reduced. UW will use reserves to fund chairs for FY17 and FY18 and hope that investment returns improve. Bill 136, Energy Graduate Stipends, sought an extension of the sunset date on unused funds for two years. The extension was granted; however Mr. Boswell suggested the UW should consider a request for additional funding in the future. The Governor's economic development diversification moved forward with a \$2.5M appropriation. President Nichols will act as advisor to the Governor and will submit names of individuals to serve on the executive council of the advisory committee. It is imperative that meaningful progress is made over the next year in this diversification effort and plan.

Introduction of UW Provost, Kate Miller

Summary: Dr. Northam introduced Kate Miller as the new provost. Provost Miller previously hails from Texas A&M, where she was Dean of Geosciences. Provost Miller received her degree from Princeton and her undergraduate degree from Stanford. She was also employed to AMOCO Oil in the early 1980's. Provost Miller provided a brief overview of UW's efforts to achieve the budget reductions for FY18. She assured the council the efforts were on target and would be met. A management reorganization is taking place which will bring the office of the registrar, admissions and financial aid/scholarships under Academic Affairs to align more closely with faculty work. Provost Miller is leading the strategic plan on campus. This plan should wrap up with approval from the Board of Trustees and be implemented July 1, 2017. Several town halls are planned and Provost Miller encouraged everyone to participate. Efforts are being made to provide more support for graduate students and consolidating international programs with a direct report to the Provost. Overall the Office of Academic Affairs is taking on a much more robust portfolio than in the past, but in keeping with other universities. Mr. Bauer inquired about the hiring of new Vice President of Research. Provost Miller explained that a search is underway, candidates will be interviewed in the late spring and hiring should take place by the beginning of the new fiscal year.

Executive Session

Summary: An executive session was not held as it was determined there was no new business.

UW Fundraising Initiative

Summary: Mr. Blaylock told the council that he would be making an announcement next week about a new gift and government match which would be tied to the Petroleum Engineering Chair. Dr. Northam has asked for a significant gift from an international oil company to support unconditional reservoirs and a second ask is in the works for a science building in support of the science initiative and hopefully a new gift will be announced in the near future. Mr. Blaylock spoke to Dr. Northam's leadership especially in regard to building corporate relationships. He commended the ERC for their support and cooperation. The future for the UW has a stronger base upon which to build corporate support, in no small part due to the School of Energy Resources. To meet the needs of the UW strategic plan continued internal/ external partnership is necessary, areas of current success should be emphasized and built upon to keep the momentum building. Vision is critical at this point. One of the components to support the UW strategic plan will be to hire a Vice President of Research and Economic Development that will have demonstrated excellence in business development and have a savvy business mindset in an academic setting. He encourage the council to be involved and offer input into the search for the best candidate.

UW College of Engineering Update

Summary: Dean Pishko began his report by informing the council of the High Bay Research Facility's ribbon cutting and science seminar. This is scheduled for Thursday, August 17, 2017. Mr. Lockhart suggested the August ERC meeting be set to coincide with this event and Senator Anderson was asked to encourage new legislators to attend the event as well. The new Engineering building had its ground-breaking ceremony in October 2016 and is on target for its completion in early 2018. The project is currently \$3M under budget and the surplus will be used to assist with utility upgrades in the older building, as well as others. Due to the UW finance reductions, twelve faculty positions were swept; three, of which have been re-allocated back to the college. The Tier I initiative has hired a professor of practice for cyber security, and a mechanical engineering professor. The drilling simulator program is developing curriculum and planning expansion into the new building. Mechanical Engineering still holds the largest amount of enrollment and petroleum engineering has the second. Dean Pishko is heading the search for the Vice President of Research and Economic Development and has scheduled a review of candidate applications for next week. The committee will be taking a strong look at the candidates which understand research for market needs as well as long term economic

development. He reassured the council the primary candidate would have a strong pre-award through post-award skill set, as well as, the ability to train fulltime staff.

EORI - Full report is available in the March 2017 Notebook or upon request

Comments/Tasks: The location of the Oil and Gas fair was changed to Casper, Wyoming for logistical reasons such as size and cost of facilities. It is hopeful the location will have the same draw as Jackson Hole, Wyoming. Mr. Coddington offered his gratitude to the EORI administrators for their assistance in obtaining their most recent grants.

Adjournment

Mr. Lockhart proposed adjournment and it was seconded by Senator Anderson. No objections. The meeting was formally adjourned at 11:18 AM.

Respectfully submitted:

Jeane Hull
Chairwoman

James Anderson
Vice-Chairman