

AERCO MEETING 11.1.06-DRAFT MINUTES

- Minutes were approved for the August 2, 2006 Meeting.
- In attendance-refer to sign in sheet
- Clean School Bus Project update, discussion of the Clean School Bus Houston program. There have been meetings with El Paso Corporation regarding funding for the program. There will be a meeting with the Greater Houston Partnership next week to gain support for the program.
- Clean Vehicles Update-most of the money has been spent. Galena Park's money is processing and the remaining \$25,000 may go to Kendelton ISD. Humble ISD is interested in doing up to 45 retrofit projects and receiving funds from AERCO.
- SEP funds-We have received several State SEP funds to date and are tracking the amounts and times in which they must be spent. We are looking at receiving a large amount of Federal SEP funds and are working on the documents for the EPA to post on their website so that companies may select certain projects and donate their SEP money for those projects. There are no school bus or diesel projects allowed with Federal SEPs.
- TCEQ Report- Steve Sun, AERCO's charter was published in the TX Register on 10/20/06
- Emissions Credits Discussion (Steve Sun, TCEQ)- Mobil Emissions credits for trading are accounted for in the SIP, they must be quantified by TCEQ and reviewed by EPA. The discussion included information regarding MOERCs-post generation, they do not have to be permanent—you put in the strategy, complete, and claim credit. MERCs- they are permanent and enforceable, you must agree to continue the strategy if you are going to claim credit. The discussion also included information regarding the use of natural gas and possible emissions trading and credits in Texas. Clean Energy is attempting to make a presence in the Houston market and is willing to work with emissions credits. They referenced the California program that currently exists.