

ETSAP - ENERGY TECHNOLOGY SYSTEMS ANALYSIS PROGRAMME
 Implementing Agreement of the INTERNATIONAL ENERGY AGENCY – IEA/AIE

DRAFT MINUTES OF THE EXECUTIVE COMMITTEE MEETING

Held in Kyoto (Japan, Pa-lu-lu Plaza Kyoto)

July 8, 2005 (9:00 – 11:30)

Participants

Country representatives

Ms. Anne Fierens	Belgium
Mr. Hertsel Labib (Chair)	Canada
Mr. Alfred Voss	Germany
Mr. Peter Taylor (Deputy Chair)	United Kingdom

“Stand-ins”

for Mr. Sami Tuhkanen	Finland	Mr. Antti Lehtila,
for Mr. Vincenzo Cuomo	Italy	Mr. GianCarlo Tosato,
for Mr. Masao Tanaka (Deputy Chair)	Japan	Mr. Osamu Sato,
for Mr. Jong-Whan Noh	Korea	Mr. Young Gu Park,
for Mr. Koen Smekens	The Netherlands	Mr. Peter Taylor,
for Ms. Eva Centeno Lopez	Sweden	Mr. Erik Ahlgren,
for Mr. Socrates Kypreos	Switzerland	Mr. GianCarlo Tosato,
for Mr. Tanay Sidki Uyar	Turkey	Mr. GianCarlo Tosato,
for Mr. Brain Unruh	United States	Mr. Paul (Chip) Friley,

Guests

Mr. Markus Blesl	IER, Germany
Mr. Sang Jin Choi	KIER, Korea
Mr. Gary Goldstein	ETSAP, Primary System Coordinator
Mr. Jong Chul Hong	KIER, Korea
Mr. Mark Howells	South Africa
Mr. Evasio Lavagno,	Operating Agent, Italy
Mr. Ken Noble	Noble-Soft, Australia
Mr. Uwe Remme	IER, Germany
Mr. Phillip Tseng	Former ETSAP Chair, US-EIA

Opening

The Chair of ETSAP, Mr. Hertsel Labib, opened the meeting at 9.00.

1. Quorum Count

The chair ascertained that there was a quorum – 13 contracting parties represented.

2. Agenda

The Agenda was adopted, as follows:

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1. Quorum Count
 2. Adoption of the agenda
 3. Adoption of the minutes of the Executive Committee held in Firenze, November 26, 2004 (Attachment I1)
 4. IEA/ETSAP Implementing Agreement:
 - 4.1 - Communication from the Secretariat
 - 4.2 - Amended list of ETSAP Contracting Parties (Attachment I2)
 - 4.3 - Report of the Workshop
 5. Annex VIII (2002-2005): Exploring Energy Technologies Perspectives
 - 5.1 - Draft final report (Attachment I3)
 - 5.2 - Draft final budget (Attachment I4)
 6. Annex IX (2003-2005): Energy Models Users' Group
 - 6.1 - Report of the workshop held in Taipei (April 2005)
 7. Annex X (2005-2007): Global Energy Systems and Common Analyses
 - 7.1 - 2005 program of work (Attachment I5)
 - 7.2 - 2005 budget (Attachment I6)
 - 7.3 - Expression of interest to participate
 8. Other business:
 - 8.1 - Communication of the Chairperson
 - 8.2 - Election of the Chairperson
 - 8.3 - Next ETSAP workshops
 - 8.4 - Other

Attachments (updated list):

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| I1 fin | Minutes of the previous Executive Committee, held in Firenze, Friday, November 26, 2004 |
| I2 rev | Amended list of Contracting Parties. |
| I3 | Draft Final Report of IEA/ETSAP Annex VIII: Exploring Energy Technologies Perspectives (2002-5) and Annex IX: Energy Models Users' Group (2003-2005) |
| I4 | Draft Final budget of IEA/ETSAP Annex VIII, Exploring Energy Technologies Perspectives (2002-5) |
| I5 rev | Program of work for Annex X: Global Energy Systems and Common Analyses |
| I6 rev | 2005 Budget for Annex X: Global Energy Systems and Common Analyses |
| I7 new | Program of the ETSAP specific Workshop (Kyoto, July 4, 2005) |
| I8 new | ETSAP TIMES Integrated Assessment Model (TIAM): Resource Review Workbook |
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3. Adoption of the minutes

With one minor change (8.1, Mr. Tosato tenure at EFDA ends on October 15, 2005), the Executive Committee approved the minutes of the previous Executive Committee, held in Florence, Italy, on Friday, November 26, 2004, as attached (attachment I1, final).

4. IEA/ETSAP Implementing Agreement

4.1 Communication from the Secretariat

Mr. Unander, IEA/ETSAP desk officer, was not in attendance owing to the need to be available at the IEA secretariat in preparation to the G8 meeting (http://www.data.org/pdf/G8_Gleneagles_comm.pdf).

The IEA secretariat has updated the description of the Implementing Agreements and published it in the book “Energy Technologies at the Cutting Edge, 2005” – downloadable from the IEA web site – http://www.iea.org/Textbase/publications/free_new_Desc.asp?PUBS_ID=1477. Page 68 provides a concise and positive statement on ETSAP.

4.2 Amended list of Contracting Parties

As approved by the previous Executive Committee, the Chair sent letters (text in attachment I2 revised; cc to the CERT delegates of Austria, Denmark and Spain, as sent earlier to Ireland) to:

- Barbara PUTZI-SCHMID, Energy Advisor, Permanent Delegation of Austria to the OECD-IEA
- Morten NORDAHL MOELLER, Energy Advisor, Permanent Delegation of Denmark to the OECD-IEA
- Angel CHAMERO FERRER, Energy Advisor, Permanent Delegation of Spain to the OECD-IEA

and asked them to designate new contracting parties. Since no response has been received, it has been assumed these countries have withdrawn from ETSAP. The Executive Committee endorsed this position. Also Ireland, which did not participate to the most recent annexes and did not send any representative to the ExCo for ten years now, is assumed to have withdrawn from ETSAP. After this decision, the ETSAP IA counts 17 Contracting Parties, as listed in attachment I2 revised.

ABARE has indicated that it has withdrawn as the Contracting Party to ETSAP for Australia, which was acknowledged in the minutes of the Executive Committee meeting held in Florence (4.2). Since it is easier to change Contracting Parties rather than start with the re-signing of the Implementing Agreement if another party wishes to serve as Contracting Party, before sending to the Energy Advisor of the Permanent Delegation of Australia to the OECD-IEA a letter asking them to designate a new Contracting Party, the Project Head will approach other Australian institutions to perhaps identify another Contracting Party.

The Executive Committee welcomes the new Italian Contracting Party, CNR, which substitutes ENI and ENEA, as well as the new Korea Contracting Party, KemCo instead of KIER. The fact that the Centre for Renewable Energy Sources (CRES) is Contracting Party for Greece will be acknowledged soon in the list of participants. The Executive Committee invites the Project Head to contact other less active Contracting Parties (Norway, Turkey) and involve them more actively.

4.3 Report of the Workshop

ETSAP convened on Monday with discussions focusing on recent achievements and the coming program of work (see ETSAP Workshop program in new Attachment I7, and presentations at www.etsap.org). Tuesday through Thursday the International Energy Workshop (IEW) was convened. The Project Head noted that approximately 20% the presentations at and attendance to the IEW were made by ETSAP Partners or tools users. The Project Head recommended that ETSAP continue to support the IEW by coordinating the timing of the ETSAP workshops once a year to coincide with the IEW. The Executive Committee endorsed the continuation of this approach, noting the mutual benefit for both the ETSAP Partners and the IEW.

With regard to contributing to the IEW, costs to ETSAP this time included payment of the participation fee for ten (10) participants (one Executive Committee representation from each country participating in the IEW, 2.5k€), plus three (3) fees for the ETSAP Tool developers (750€) – the ETSAP regular Workshop cost about 3k€. The next IEW will perhaps be held in South Africa in June 2006 (or a bit earlier). IIASA has approached ETSAP for increased support. A discussion among the Executive Committee members then ensued regarding the practice of paying for participation of ETSAP representatives and direct contributions to the IEW. After prolonged discussion it was decided that the practice of ETSAP paying the participation fee would cease, and that the Project Head could work with a maximum budget of €10k for ETSAP’s contribution to the next (and future) IEW.

Given the G8 commitment to Africa it was also deemed advantageous for the Project Head and Primary Systems Coordinator to work with IIASA, Stanford, and the University of Cape Town to develop a short “marketing brochure” that could be presented to donor organizations and others for potential contributions for staging the IEW in South Africa. Among the institutions mentioned are the UNDP, UNEP, USAID, etc.

5. Annex VIII: Exploring Energy Technologies Perspectives

5.1 Draft final report

A full draft of the Annex VIII/IX Final Report was distributed to the Executive Committee members in mid June. There was a brief discussion on the Report, with an indication from Germany that they will provide a short piece on the Acropolis project, in which a number of ETSAP partner institutions participated. It was also suggested that an Introduction be included indicating that the projects identified are non-exhaustive, and that the list of projects is meant to highlight the wider use and dissemination of the ETSAP Tools.

It was also decided that the List of MARKAL/TIMES Institutions, Appendix H, should be adjusted to have an opening paragraph indicating the total number of institutions that have been involved with the ETSAP Tools, but that only those institutions (believed to be) still active will be explicitly listed in the table. To this end, the ETSAP participants will review the table and provide any adjustments needed to the table to properly reflect the current situation in their country.

A discussion ensued about whether the Final Report would only be posted on the ETSAP website, or hardcopy would also be made available. It was decided that ten (10) hardcopies of the Report would be provided to each Executive Committee member, and the IEA, and thus one hundred fifty (150) total copies of the Report will be printed. It was agreed that all comments from the Executive Committee members is to be received by July 20, 2005, and that the Report will be finalized by the Primary Systems Coordinator and passed to the Project Head by July 31, 2005.

5.2 Draft final budget

The Draft Final Budget of Annex VIII is presented in Appendix I4. The current balance for the Annex is €8k, pending the printing of the Final Report. It was noted that payment will be coming from the US and Greece for last year, which are already reflected in the spreadsheet. In addition, with the legal issues resolved with the European Community payment is expected from them, resulting in a surplus of approximately €24k that will be carried over to Annex X. The Executive Committee approved.

It was noted by the Project Head that the Canadian accounting office at NRCan asked for more details on the expenditures associated with the Annex. The Operating Agent provided their full set "books" to NRCan, which met the needs of the Canadian request. The Chair noted that the Canadian government is auditing all international collaboration expenditures more closely, including ETSAP.

6. Annex IX: Energy Models Users' Group

6.1 Report of the Workshop held in Taipei

The Taiwanese Environmental Protection Administration (TEPA) sponsored the Annex IX Technical Conference, which was held in Taipei (April 4-7, 2005). The list of presentations is provided in Appendix I9 of the Final Report, the presentations can be downloaded from <http://www.come2meet.com/etsap/> or http://www.etsap.org/Workshop/Html/Taipei_Apr_2005.htm.

The Swedish representative noted that there were some good presentations and discussions on use of the ETSAP tools. He also noted the very active involvement from the Taiwanese side, where four institutions are now working with the ETSAP Tools. The Project Head commented on the solid progress in the use of the ETSAP Tools by ETSAP participants funded by AusAID, as well as those from the Central American countries whose activities are receiving support from USAID and guidance from Brookhaven National Laboratory. He also pointed out that the workshop, focused on the users of the ETSAP Tools outside of the ETSAP Partners, improved our understanding of how to present our tools to new users.

The Project Head noted that the only cost to ETSAP was payment for the Swedish representation, the Project Head and an AusAID/ASEAN Energy Policy Systems Analysis Project (EPSAP) participant from the Philippines travel to Taipei to participate in the meeting, along with hosting a dinner (for a total of about 7k€, below the allocated budget 10k€).

7. *Annex X (2005-7): Global Energy Systems and Common Analyses*

7.1 2005 program of work

The Project Head noted that during Annex VIII ETSAP succeeded in getting both MARKAL into wider use and TIMES embedded in key projects, such as EFDA and NEEDS, which are resulting in both methodologies moving into mainstream use. The full documentation of both models completed during Annex VIII being important in this regard. After the ETSAP regular meeting on Monday discussed possible activities for Annex X, the Executive Committee endorsed the following priorities for the 2005 program of work (details are reported in the revised version of attachment i5).

1. The most important activity of Annex X is the implementation, development and distribution to the ETSAP Contracting Parties the global TIMES Integrated Assessment Model (TIAM). It will be used as part of ETSAP's direct participation in the study no. 22 on 'Climate Policy Scenarios for Stabilization and Transition' of the Energy Modelling Forum (EMF-22). In 2005 the following will be implemented:
 - a. the Canadian team will develop the model and actively participate in EMF-22;
 - b. VTT will add to TIMES the multi-stage stochastic programming option, which is necessary for assessment of policies under uncertainty, and for EMF-22 participation;
 - c. IER would serve as the first "reviewer and user";
 - d. Other ETSAP partners are invited to start contributing to TIAM by reviewing the global energy resource data (making use of the review workbook in attachment i8); constructive comments and supply curves received by the Canadian team before the end of September will be included in the preliminary results presented at the November EMF-22 meeting;
 - e. a dialog should be encouraged between the developers (and users) of the IEA ETP, EIA SAGE and ETSAP TIAM models.

The capability of the user interfaces of adding a 16th region (by pulling a country out of an existing region) from the TIAM will be a priority activity in the 2006 program of work.

2. In order to maintain and improve continuously the ETSAP tools, the following is envisioned:
 - a. MARKAL - refinements to the peaking constraint will be considered;
 - b. ANSWER-TIMES will continue to see progress using Annex VIII funds;
 - c. VEDA is to see all parameters for TIMES included, and full user documentation completed;
 - d. PSI will add decomposition features to the tools, as in kind payment of the Annex X fees;
 - e. The Project Head will circulate before next ExCo a proposal to re-introduce in the ETSAP tools facilities to define alternative objective functions and to augment the capabilities in terms of exploring near-optimal solutions;
 - f. The ETSAP Primary Systems Coordinator will oversee integration of the various components of the ETSAP Tools, including GAMS.
3. The following additional activities will be explored:
 - a. The PSC will develop and present at the next Executive Committee a full scoping document that would layout the merits, how it will contribute to the goals of the current Annex, timeframe, institutions and ETSAP/Tellus costs both for development and deployment of LEAP-2-TIMES;
 - b. The PSC, with the assistance of the Project Head, will develop and present at the next Executive Committee a "strawman" outline for "A Guide to Building a TIMES Model".

7.2 2005 budget

Instrumental to above program, the Executive Committee approved the 2005 allocation of funds (see revised attachment i6). Researchers and groups interested in implementing the activities approved above will present their proposals to the Operating Agent. Actual contract orders will depend on available funding.

7.3 Expression of interest to participate

The Project Head indicated that four Contracting Parties have sent to the Executive Director of the IEA letters on the intent to participate to Annex X. Other ten Contracting Parties (including the EC) have expressed their intent to participate informally. The Project Head also noted interest in Turkey where a new Contracting Party may get involved. The Swedish representative will approach Norway, as a possible expression of interest in rejoining ETSAP was been mentioned at the previous meeting.

8. Other business

8.1 Communication of the Chairperson

The Chair noted that the letter sent to the European Fusion Development Agreement (EFDA) requesting that Mr. Tosato be permitted to serve as the ETSAP Project Head was denied. As a result ETSAP at the moment technically is operating without a Project Head, until Oct 16th, when Mr. Tosato will officially (re-)assume that role. It was noted that the Implementing Agreement requires that an Operating Agent exist but not a Project Head. The Executive Committee approves.

8.2 Election of the Chairperson and Deputies

Mr. Tosato takes the chair. The Executive Committee member from Germany nominated Mr. Labib to continue to serve as the ETSAP Chairman, Mr. Taylor and Mr. Tanaka as the deputy Chairmen. The proposal was seconded by the US and Belgium delegates and then unanimously endorsed. Mr. Labib thanked the Committee for their continued support.

8.3 Next ETSAP Workshops

It was planned that the next ETSAP workshop would be held in Cape Town, hosted by the University of Cape Town Energy Research Centre. However, consideration is being given to holding next (25th) International Energy Workshop (IEW) during June 2006 in South Africa. A decision will be reached by Aug 15th. As a result, regardless of the IEW planning, it was decided to postpone ETSAP going to Cape Town until the first meeting to be held next year.

This then resulted in the need to find an alternate venue for the meeting slated for November 14-18, 2005. The representative from the UK noted that a new group, the UK Energy Research Centre (UK-ERC), is interested in hosting an ETSAP workshop, which would be organized by the UK-ERC in conjunction with AEAT. While this offer for the UK to host the next workshop is in principle on the table, it needs some time to be confirmed. The representative from Germany then offered to serve as the back-up/alternate host if the UK offer does not pan out. A decision on the venue will be made by September 1, 2005.

8.4 Others

There was a suggestion for ETSAP to prepare a short brochure in time for the next UNFCCC COP11 – MOP1 (Montreal, December 2005) extolling the virtues of ETSAP and its Tools. The Executive Committee endorsed such an idea. Mr. Tosato will check with the previous Operating Agent (ECN, The Netherlands) to determine if the previous material (foldout brochure) prepared for the COP3 held in Kyoto in 1997 is available as a starting point. The Project Head in conjunction with the Primary Systems Coordinator will draft such a brochure by the end of August for circulation to the Executive Committee for consideration, refinement and eventual approval by the end of September.

The Executive Committee Meeting ended at 11:30.