From: Ron Edelstein [mailto:ron.edelstein@gastechnology.org]
Sent: Monday, November 24, 2008 5:23 PM
To: Janet Joseph
Subject: Summary of my remarks

Janet:

Although I mentioned most or all of these during the advisory body session, at your request I am attaching my comments.

With respect to the McKinseyCO2 cost abatement curve:

Be careful about using these numbers without reviewing them in detail. They were developed quickly and I disagree with some of them very strongly. For instance, the Residential and Commercial Buildings - HVAC equipment efficiency "bars" are shown on the high-cost end of the spectrum. We at GTI believe that many of the high-efficiency equipment options can actually be implemented for "negative costs", that is savings.

With respect to Residential, Commercial, Industrial Sectors:

Oil, gas and wood system repair and replacement should be amended to include electric-based systems, that is oil, gas wood, and electric systems repair and replacement.

Looking at "heating" should be amended to read "water and space heating"

When viewing options for repair and replacement, I urge you to consider full fuel cycle or "well to wheels" analysis, that takes into account source based efficiencies and energy production, processing, conversion, and transport and distribution losses, not just site-based efficiencies. For instance, electric resistance heating might produce up to 9 tonnes of CO2 per household per year, while a high-efficiency natural gas fired system would produce under 3 tonnes of CO2 per year, both on a full fuel cycle basis.

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