

MINUTES
RURAL MN ENERGY BOARD MEETING
MONDAY March 24, 2008, 9:30 A.M.
CRD
SLAYTON, MN

MEMBERS PRESENT:

Blue Earth County.....	Katy Wortel	Murray County.....	Absent
Chippewa County	Absent	Nobles County.....	Diane Thier
Cottonwood County.....	John Oeltjenbruns	Pipestone County	Marv Tinkenberg
Faribault County	Tom Warmka	Redwood County.....	Brian Kletscher
Jackson County.....	Excused	Renville County.....	Excused
Lincoln County.....	Larry Hansen	Rock County.....	Ken Hoime
Lyon County.....	Bob Fenske	Watsonwan County.....	Scott Saunders
Martin County.....	Jack Potter	Yellow Medicine Co.....	Absent
Mower County.....	Absent		

ALSO PRESENT: Gary Sieve (Nobles Coop Electric), Paul Pierson (USDARD), George Crocker (NAWO), Randy Fordice (CAPX 2020/GRE), Dennis Timmerman (AURI), Vince Robinson (LCEDC), Gerald Woodley (Senator Norm Coleman's office), Jay Trusty (staff) Annette Bair (Staff).

CALL TO ORDER: The meeting was called to order at 9:35 AM by Chairman Kletscher.

ANNOUNCEMENTS: Bair announced that there were 15 Windustry Handouts with information about their upcoming conference as handouts around the table.

INTRODUCTIONS: Everyone was asked to introduce themselves.

APPROVE THE AGENDA:

M/S/P Warmka, Benson to approve the agenda with one change - remove approval of MCIT Insurance.

MINUTES:

M/S/P Warmka, Hansen to approve the Minutes of February 27, 2008 as written.

TREASURERS REPORT: Treasurer Hansen reviewed the finances of the RMEB and bills submitted for payment. Bills submitted for payment include: February 2008 Southwest Regional Development Commission totaling \$2,662.50; and Commissioner per diem and travel as follows: Fox 685.33 (Feb and March), Hansen 96.36 (February), Warmka 349.23 (January). Following payment of bills the RMEB balance will be \$73,276.01. It was noted that 16 of 17 counties have submitted their dues.

M/S/P Oeltjenbruns, Hansen to approve the Treasurers Report and payment of bills.

MCIT update on JP insurance - Commissioner Scott Sanders reported MCIT discussed JP insurance at their March Board meeting. If liability insurance is purchased as a Joint Powers and the Joint Powers acts as a JP (not a partnership) then liability claims are limited to the JP and will not extend to each individual county, and the tort is capped at \$400,000. If not purchased through the JP, then each member county of the JP has liability (stacking).

MINUTES:

M/S/P Warmka, Hansen to approve the minutes of February 27, 2008 as written.

JOINT POWERS BUSINESS AND SUBCOMMITTEE REPORTS:

Rural-Metro & Legislative Committees: Warmka reported that there has been 1 ½ years of work by the rural and metro counties with the utilities to overcome obstacles and agree on legislative language. The bills are SF 3160 and HF 3585. 3585 Warmka reported that Kletscher and he testified at the MN House with McLaughlin; Koonen is the bill author and it was passed on to the House Tax committee. On March 14th Warmka testified in the Senate, it passed and was referred

to the Senate Tax committee. Language is currently being tacked on to the bill that is likely to inhibit its ability to pass. Kletscher reported he has spoken with one of the supporters (Jim Nichols) of the added on language who has indicated that they would be willing to remove the language if the RMEB will support their language next year. Members indicated that they have not seen the language and would like to review it before supporting it. Kletscher said he would contact Jim Nichols. Warmka indicated he anticipates there will be some language change, to remove the Metropolitan Council from the bill to resolve probable objections by some of the legislators.

LCCMR Steering Committee. Trusty reported the LCCMR Steering Committee met via conference call to discuss the one respondent to the RFP. Steering Committee members, Trusty and Bair joined in on a joint conference call with Metro staff and Commissioner and decided they would be meeting with the one respondent. A meeting has been set for April 7th at AMC - the purpose is to walk through the LCCMR Grant and find out how the consultant is going to provide the deliverables and to hold them accountable on the deliverables. The one response was from HGA (Hammel, Green and Abrahamson, Inc.). A report on the April 7th meeting will be sent out to the Commissioners.

BIO BASED PRODUCTS. Denny Timmerman (AURI) distributed three handouts (powerpoint), examples of organic packaging (see the following link) <http://www.brenmarco.com/supermarket/SUPERMARKET%20LARGE%20PAGES/natureworkclamshell.htm> , and Minnesota Farmer March issue article "Checkoff funds 26 soy-based products". Timmerman described how soybean processing and ethanol plants have changed the dynamics of the price difference between here and the Chicago Board of Trade (\$0.45 to \$0.70 discount) to more currently at times a higher price than at the CBT. Facts: 100 lbs of biodiesel produces 90 lbs of biodiesel and 10 lbs of Glycerin. Glycerin's value has ranged from a negative value perhaps \$0.05. In _____, products shipped overseas will be required to be in biobased packaging. This is a field that needs to be further developed. There are many products that can be produced by ethanol and biodiesel biproducts.

Request by AURI is that the RMEB support the opportunities to investigate and use biobased products. Bair is to develop: a resolution of support for RMEB consideration, draft a letter encouraging county support of biobased packaging, and a draft resolution for counties to consider.

Commissioners asked about the status of wind to hydrogen.

CERT Update:

Current Activities of Coordinator. Bair reported on

- Status of the county wind turbine survey (not CERT funded). There has not been a lot of response at this time; however, there were other projects that staff has been working on that have had a higher priority. Staff will be contacting the counties to complete the survey.
- Bair also works with the Transportation at the Regional Development Commission. The 2009 work program is proposing to work with the County Engineers to develop a template of standards and permits for county highway departments to use, funded though both the SRDC Transportation planning grant and CERT funds.
- Mid March Presentation to Murray County Business Industry Development group on Wind Energy and development. Attendees indicated there may be a connection with the WIRED project. Bair is to look into bringing a WIRED presentation to the RMEB.
- 2007 Grants status:
 - 9006 Energy Audit- CERT relationship with the application required energy audits. Paul Pierson reported that several grants have been received by Lisa Noty and SW CEERT should be receiving requests for funding assistance by those applicants.
 - Redwood County CALP is holding an Energy meeting on April 3rd.
- Reminded the RMEB of the CERT grants currently available. Applications are due April 18th and available of the CERT website: www.cleanenergyresourceteams.org.
- If there is funding available, would like to see funds available for energy audit. People want to jump in with an energy efficiency project - but have no idea how much they are consuming or what their best alternatives are.

- Large and small wind identified in zoning ordinances. Bair suggested that some counties may not address both small and large wind in their zoning codes. The Commissioner may want to review their ordinances to see if both are addressed.

Other Business / reports

- Randy Fordice reported that on April 22 GRE will hold a dedication ceremony for their new Platinum LEED headquarters. GRE is also researching options for funding assistance to increase the number of energy efficient and LEED-certified buildings in its service territory. More information will be available in April.
- **CAPX2020** meetings are coming up this week and next see the link for meeting dates and locations: <http://www.capx2020.com/Calendar/index.html>
- Arlene Vee reported that Minnesota Climate change Advisory recommendations are on-line at: <http://www.mnclimatechange.us/index.cfm>
- Crocker reported that the Path to Community Wind is the 2nd round of hearings for the Sweet spot projects / study, first round was in September. A meeting is scheduled for April 4th in Marshall. Also at that meeting, will be a presentation by the SW Initiative foundation on the REDI (Renewable Energy Development Initiative).
- Jack Keers is in Pipestone Hospice, Norgaard is in Rochester.
- Vince Robinson reported they are still working on CWN, Xcel Energy has a revised study, the equity partner in the project may be changing turbines.
- CREB Bonds were discussed - possible future RMEB presentation.
- Gary Sieve, Nobles Cooperative Electric indicated that the spike in electrical usage in January was attributed to use of electric heaters - to save on fuel costs.
- Gerald Woodley discussed farm bill (30 day extension) Questioned were PTC not being extended. Gerald will look into it and send information to Netty who is to send out to the RMEB.
- Paul Pierson discussed the Community facilities program which may have some loan funds for renewable energy projects (heat pumps, etc)
- Ken Hoime reported on the MinWind Battery Storage project. The project will have storage batteries the size of two semi trucks and the pilot is slated to go on-line this fall.
- Kletscher reported that former Renville County Commissioner Bob Ryan is working with fuel pellets and looks like there is a long term contract with for purchase of the pellets which will be 20-25 jobs.
- Commissioner Warmka thanked Trusty and Bair for their assistance in facilitating information on the project.
- Chairman Kletscher expressed appreciation to Fox and Warmka for the time and effort they have put into the rural-metro project and the testifying at the legislature.

NEXT MEETING DATES: Next meeting is scheduled for April 28th at 9:30 am, May 19 (4th Mon is Memorial Day 26th), July 28, September 22, and November 24

ADJOURNMENT: Chairman Kletscher adjourned the meeting at 11:25 am.

Minutes Prepared By Annette Bair, Staff.

Minutes Reviewed By:


Energy Board Secretary Hoime

Minutes Approved By:


Energy Board Chairperson Kletscher