

**RURAL MN ENERGY BOARD MEETING
MONDAY April 2, 2018
CRD Office, Slayton, MN**

MEMBERS PRESENT:

Blue Earth County.....	Will Purvis	Mower County	Tim Gabrielson
Brown County.....	Dennis Potter	Murray County	Gerald Magnus
Cottonwood Co.....	Tom Appel	Nobles County.....	Gene Metz
Faribault County	Greg Young	Pipestone County.....	Dan Wildermuth
Freeborn County.....	Glen Mathiason	Redwood County	Dennis Groebner
Jackson County.....	Don Wachal	Renville County	excused
Lincoln County	Mic VanDeVere	Rock County.....	Gary Overgaard
Lyon County	Steve Ritter	Sibley County	Joy Cohrs
Martin County	Steve Flohrs	Watsonwan County	Scott Sanders

ALSO PRESENT: Ted Smith (Sioux Valley Energy), Annette Fiedler & Robin Weis (SRDC – RMEB Staff)

CALL TO ORDER: The meeting was called to order at 1:00 p.m. by Chairman Flohrs.

PLEDGE OF ALLEGIANCE: Chairman Flohrs led the Pledge.

INTRODUCTIONS: All were asked to introduce themselves.

ANNOUNCEMENTS: Fiedler shared her cell phone number in case of commissioners needing to connect regarding meeting purposes (inclement weather, tour arrangements, etc). Fiedler shared the STEM internship information.

AGENDA: Chairman Flohrs asked for any additions or corrections to the agenda.

M/S/P VanDeVere, Ritter to approve the agenda as presented.

MINUTES:

M/S/P: Ritter, Groebner to approve the minutes of January 29, 2018 as presented.

FINANCIAL REPORT: Magnus reported on the financial status of the Rural Minnesota Energy Board. Pending bills are as follows: SRDC General \$1485, wind and solar decommissioning \$583.58, SRDC PACE finance \$1015, SRDCV PACE outreach \$1485, lobbyist \$1550.40, SRDC Finance – fiscal management \$472.50, & Webpage \$500. The total RMEB funds available after pending \$128, 469.78.

M/S/P: Wildermuth, Mathiason to except the financial report and payment of bills as presented.

SUBCOMMITTEES:

Executive Committee: no report.

PACE Committee: Gerald Magnus, Gene Metz (new chair), Will Purvis, Scott Sanders, Bob Fox, Robin Weis staff update on loans and funding status. \$158,000 is available for PACE loans, this is all ARRA \$ which requires Davis Bacon Labor and Benefits requirements. Discussion of the three pilot PACE funding sources (loans), 23 projects have been funded, \$849,732 has been loans, and average loan cost is \$37,000. The PACE

committee will be working to come up with a proposal of how to add to the pool for more loans and to make this a revolving loan fund. Some mechanism need to be in place so interest does not begin to accrue until the funds are drawn. More information is needed for the counties. What is the benefit to the counties? There have been outreach costs involved with the startup of the program. The REAP energy audit dollars as well as the CERT energy audit dollars. Currently, there is more coming in that paying back, however that will change from 2022 to 2025. This is dues to the long PACE loan paybacks – vs- payback of the pilot PACE loan funds. There will be questions, such as can a county put county dollars into a JPA RLF? Robin was asked to come to the District AMC meeting June 6 and 7 in Faribault and Cottonwood Counties.; and to meet individually with the county board in Mower, Freeborn, and Renville counties.

Tour Committee: Committee Chair Ritter reported that the Solid Waste Commission was also interested in the MISO tour and tour of the Hennepin County Water to Energy Facility on July 23. A survey will be sent out and return is needed by May 1st on who is planning to attend the tours (MISO requires the names in advance of the tour); as well as whether tour attendees will be riding the bus and the route for the bus. Tentative plans are up to three people from each SWA/RMEB county with the WTE tour in the morning and MISO in the afternoon.

Legislative Committee: Gene Metz (chair), Gerald Magnus, Tom Warmka, Steve Flohrs. Legislation has been quiet. There was some on lighting of the towers for aircraft (lighting would turn on when aircraft on radar), it would be very expensive and was dropped from the bill. Disposal of PV. Scenic byways – not legislative, but was discussed.

SELP – SOLAR ENERGY LENDING PROGRAM – Weis explained the project which was a partnership with the Region 5 Development Commission with funding from McKnight – to do a feasibility study for residential solar. In Xcel territory, where there is a solar incentive, the payback was not bad; but in other areas of the state, any benefit was eaten up by the monthly utility charge. 10 years is not enough time for payback, it is closer to 18 years). The full 191 page report can be found at <https://www.dropbox.com/s/b24ykg17hx78bw/Solar%20Energy%20Loan%20Program%20Report%20w%20Addendum.pdf?dl=0>

Member Updates on Energy Projects and Issues from Respective Counties:

- Murray: - very large solar in the Lake Wilson area, wind in Murray/cottonwood/Redwood.
- Redwood – cottonwood/Murray/redwood project at about 600 MW
- Rock – 150 MW solar farm
- Cottonwood - besides the project with the three counties, APEX will be going south, Next Gen (Plum Creek) plans to access the grid to the north. The Jeffers 20 are looking to be repowered next year. Community funds. When developers come in try to see if they will do a community fund – such as Geronimo . (Note that the CERT conference had very good videos about wind and of solar. Staff will share when it is available.)
- Blue Earth Co – apron on Dam completed, electricity from hydro is being produced. Will is on the Wilmarth to Huntly transmission line task force.
- Jackson – repower of Jackson wind farm. Have not heard anything about trade winds project.
- Nobles – Nobles II at the PUC, discussion of \$\$ for wind rights as well as \$ for towers. In addition, a good neighbor stipend.

- Mower – NR
- Freeborn – developers are getting frustrated – opponents say there are no restrictions in Minnesota, however, there are many restrictions. Recently, valuations came in – 2 townships that have the highest valuations are the ones with the most wind towers.
- Brown –
- Watonwan – NR
- Pipestone – stone ray 102 MW will be generating 400-500,000 per year of which 80% goes to county and 20 to township. Discussing potential use of funds – they have a large tax forfeited school – if they were to get a bond, they could pay it off with the revenue from wind production tax.
- Lincoln - Blazing star 1 and 2
- Faribault – Huntly substation. ITC to Mason City to Minnesota is nearly complete. Depending on route between \$104 to 140 million. They have a windfarm that Fagan has retrofitted with shims and it got ride a lot of noise. Faribault County was asked to find out more about that. The county has 3 CUP for met towers; looking at income of \$800,000 / yr and there is some opposition.
- Martin Co – Wilmarth transmission line.
- Wind and Solar Decommissioning Work Group report – the report is not yet ready.
- Decommission, Repower – Development agreement trigger. There is some decommissioning beginning of the earlier projects that did not have the development agreements. Haul routes, etc. should be just as important when deconstructing as when under construction. Can decommissioning be included in the current development agreements? Netty asked Jackson engineer is LRRB could post more recent development agreements.
- Ted Smith – Sioux Valley Energy. They have two counties in Minnesota the rest in South Dakota, they too have seen resistance to wind development south of Sioux Falls.

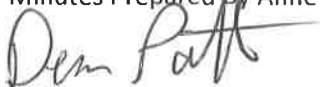
SW CERT: Fiedler share highlights of the CERT Conference – both the regional session that focused on energy efficiency and small business as well as the wind energy boom that she paired up with WOW in a presentation.

2018 MEETING DATES: May 21, July 23 (tour), September 24 and November 26. Presenters at the next meeting include: Jordan Burmeister, Jim Horan, and Josh Fiala

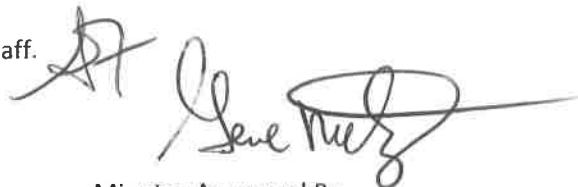
ADJOURN:

M/S/P Groebner, Young to adjourn the meeting at 2:50 p.m.

Minutes Prepared By Annette Fiedler, Staff.



Minutes Reviewed By
Energy Board Secretary



Minutes Approved By
Energy Board Chairperson