

**MINUTES  
RURAL MN ENERGY BOARD MEETING  
MONDAY September 24, 2007, 9:30 A.M.  
CRD  
SLAYTON, MN**

**MEMBERS PRESENT:**

Blue Earth County.....	Katy Wortel	Murray County.....	Kevin Vickerman
Chippewa County.....	Absent	Nobles County.....	Diane Thier
Cottonwood County.....	John Oeltjenbruns	.....	David Benson
Faribault County .....	Tom Warmka	Pipestone County.....	Marv Tinklenberg
.....	Butch Erichsrud	.....	Jim Keyes
Jackson County.....	Bob Ferguson	Redwood County.....	Brian Kletscher
Lincoln County.....	Larry Hansen	Renville County.....	Bob Fox
Lyon County.....	Bob Fenske	Rock County.....	Ken Hoime
Martin County.....	Jack Potter	Watonwan County.....	Absent
Mower County.....	Absent	Yellow Medicine Co....	Ron Antony

**ALSO PRESENT:** Arlene Vee (MN Pollution Control Agency), Randy Fordice (Great River Energy/CAPX 2020), George Crocker (NAWO), Paul Pierson (USDA), Todd Hammer (Lyon Co.), Gordy Olson (Jackson Co.), John Biren (Lyon Co.), Jean Christoffels (Murray Co.), Cheryl Glaeser (SW Initiative Foundation), Adam Sokolski (MN Dept. of Commerce), Vince Robinson (Lincoln Co. Ent. Dev.), David Norgaard (SW Wind Con.), Wayne Smith (Nobles Co Public Works), Curt Blumeyer (Lincoln Co.), Robert E. Olsen (Lincoln Co.), Tony Hainault (Hennepin Co, MCETF), Chuck Salter - by phone (Hennepin Co. MCETF) , Jay Trusty (Staff), Annette Bair (Staff)

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

**ANNOUNCEMENTS:** The following information was passed around the table:

- Newspaper article about the Jeffers 20 project "Blowin in the wind"
- PUC CAPX2020, Multi-state Tracking and Trading System for Renewable Energy Credits, and NSP's status report on PPAs and resource acquisitions
- MISO Generation Queue as of early September 2007 for Minnesota
- 25 x '25 Certificate
- Lindquist & Vennum Annual Report

**INTRODUCTIONS:** Chairman Kletscher asked everyone to introduce themselves.

**CHANGES TO THE AGENDA:** Chairman Kletscher added a Community Wind North request at 10, Chuck Salter (Hennepin County Assistant Attorney) and Tony Hainault (MCETF) will be joining the meeting at approximately 10:10, C-BED update under other business.

**M/S/P** Ferguson, Warmka to approve the amended agenda.

**MINUTES:**

**M/S/P** Tinklenberg, Warmka to approve the minutes of July 23, 2007 as written.

**TREASURERS REPORT:** Treasurer Hansen reviewed the RMEB finances and bills. Upon payment of expenses, the balance will be \$39,895.11. There was \$2331.67 in Administration bills submitted by the SRDC for the months of July and August 2007.

**M/S/P** Thier, Fenske to accept the Treasurer's Report and payment of \$2331.67 to the SRDC.

**MCIT Insurance.** RMEB members had been provided an electronic copy of the MCIT Insurance changes. The SRDC Finance Staff provided an Insurance cost comparison from the 2005 partial year through the 2008 initial cost. From 2007 to 2008 there is an increase of \$259. The increase was due to the increased activity which included the \$60,000 payment for the Governance Model and the \$5000 of CERT dollars that for the Community Wind Handbook. Staff was asked to check on the liability of grant dollars, pass through dollars (Metro County dollars) and RMEB dollars used on the Governance project.

**COMMUNITY WIND NORTH:** Community Wind North Representatives David Norgaard and Vince Robinson presented the RMEB with a memorandum regarding the process and timetable for the Minnesota PUC Review of Conditions on the Xcel Energy's Certificate of Need for High Voltage Transmission Facilities. This issue was brought before the RMEB because the Rural Minnesota Energy Task Force was an intervener in the Certificate of Need proceedings and the RMEB would be a logical party to prepare and submit a petition to the Minnesota PUC. CWN requests the preparation of a petition to provide the framework for engaging the Department of Commerce in a more active role as an arbiter in this matter. CWN is experiencing interconnection barriers which inhibits the forward process of the project. CWN also indicated they would provide support to the RMEB in the preparation of the petition to the Minnesota PUC and would be prepared to discuss any alternatives that the RMEB would have with respect to overcoming the barriers to the interconnection for Community Wind North.

**M/S/P** Warmka, Hansen to approve the development of a petition with the consultation of Community Wind North, review by RMEB attorney, and contingent upon the RMEB Executive Committee review and approval; and provide the document to Community Wind North.

Discussion: RMEB members were assured that CWN would provide the language for the petition consideration within the next week. Also discussed was the timing, and delays of the project which will mean construction will likely be delayed until spring of 2008.

Norgaard thanked the RMEB regarding their action and further urged the RMEB to participate and testify in the CAPX2020 meetings so locally owned wind is represented in the process.

**SW CERT Report:** Chairman Kletscher requested Bair give the CERT Report since the meeting was a little ahead of time.

- SW CERT Steering committee members were identified and added to by the RMEB as the following: John Oeltjenbruns, Jack Potter, David Benson, Tom Warmka representing the RMEB; Dennis Timmerman representing AURI; Steven Davis, representing MNSCU; Holli Arp, representing Extension; Brian Christiansen, representing RC&D; Paul Pierson, representing USDA; a representative of the Southwest Initiative Foundation - to be named. There are up to 6 positions still available from the public. This list will be presented to the SRDC Board for approval at their October meeting.
- An update on the status of the Community Wind Handbook and subsequent correspondence was discussed.
- Senior Center Energy Audits. Two on-site Energy Audits have been completed (Adrian and Lake Benton Senior Centers) by the RETAP program. Members were provided a copy of the Adrian Senior Center Audit findings. The Lake Benton Audit report is awaiting documents by the community before the project can be completed. Marshall Municipal Utilities is working with

the Marshall Adult Community Center regarding an audit. There has also been interest by other Senior Centers. The project has been rather slow, and SW CERT staff relied on the assistance of the Area Agency on Aging and County RSVP Coordinators to assist with communication with the Senior Centers.

- Biofuel Survey and Fact Sheet was provided at the meeting. The survey showed the summer use of Biodiesel at the county hwy shops in SW CERT area and some surround counties. Two issues have come up: due to the lower amounts of sulfur in diesel fuel, and there are more incidents of microbial activity in tanks. The reverse side of the fact sheet identifies measures to reduce this problem. The second is some of the bordering counties cannot get biodiesel for winter use because their supplier (usually out-of-state based) cannot supply it.
- September DOC / Sweetspot Transmission meetings in Marshall and Owatonna. Cheryl Glaeser reported that there were about 110 people who attended the Marshall meeting. A follow up to that meeting is a statutory requirement and will likely occur in the January 2008 timeframe. A technical review committee will take the information from the meetings and study process. Information as it becomes available will be on the CERT website.

Commissioner Warmka reported that he attended the Owatonna meeting and it was a very good meeting also. There will be a total of 30 meetings (3 in each transmission zone) for phase I, and that report is due June 2008 (120 MW in each zone - total of 600 MW); Phase II will be completed in September 2009.

#### **Joint Powers Board Operational Business and Subcommittee Reports**

Commissioner Benson reported he attended an Olmstead County Board work session on September 11, 2007 and provided background information on the RMEB as requested. Renewable energy activity is occurring in Olmstead County and they are interested in the RMEB. They did express a concern about the distance to Slayton. Commissioner Wortel suggested there should be an East and West Rural Energy Boards. Glaeser indicated that the Initiative Foundation would be interested if this occurred.

**Rural - Metro Report:** Chuck Salter, Hennepin Co-MCETF (via phone), Tony Hainault, Hennepin Co-MCETF staff, and the RMEB Rural-Metro Subcommittee provided information about Electric Energy Powers and potential options to move forward with the Rural - Metro project. The RMEB was asked to provide direction on what options they believed to be a workable course of action.

**M/S/P** Fenske, Hansen to work toward developing legislation similar to Winona County and adding electricity for resale.

**Discussion:** Further direction was provided to the Rural Metro Subcommittee to meet with the Metro subcommittee and with utilities as they work toward developing legislation like the Winona County plus adding buy electricity for resale. RMEB Rural Metro Subcommittee members are: Tom Warmka, Bob Fox, Ken Hoime, Larry Hansen, and Brian Kletscher.

Randy Fordice indicated he could assist in identifying utility representatives to meet with the Rural Metro subcommittees.

**Delegating Wind Siting Authority for Projects less than 25 MW to Minnesota Counties:** Adam Sokolski, DOC Project Manager, Energy Facility Permitting reviewed wind development in Minnesota, future wind development (based on the MISO Queue), the permitting initiative and the delegation program that will provide county governments with the option to permit wind projects under 25 MW; the Wind Siting Act MN Statutes Chapter 216F and Minnesota Rules Chapter 7836; the 2007 Amendments; the historical PUC Setbacks as well as additional standards.

The next steps include:

- Notice to be mailed late September 2007
- DOC Requests comments from counties, developers and other interested parties on:
  - Historic PUC siting standards and setbacks
  - Procedural comments, questions, clarification
  - Types of technical assistance counties would like the DOC to provide on ongoing basis
- Comment period through October 31, 2007
- DOC will review comments and make standards recommendations to PUC in late November 2007
- PUC to issue general standards order in January 2008
- Counties may request to assume permitting January 15, 2008

**Minnesota Climate Change Policy Group:** Deferred to November meeting.

**Other Business:**

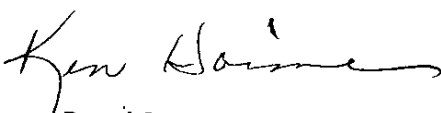
- **Center for Rural Policy Technical Assistance Grant** dollars went to the C-BED Initiative. The project will target communities for interest in community wind. The Technical Assistance is intended to provide assistance to identify size and type of wind projects, financing - how to find partners, interconnection issues, etc. Staff was asked to provide a link to final approved work plan in the RMEB Website.
- **Youth Energy Summit (YES).** Cheryl Glaeser reported that there were 88 youths registered for the YES summit, and 22 adults. The kids felt like they learned a lot, there was also a resource fair.
- Commissioner Wortel reported on an upcoming renewable energy event on 2007 Nobel Conference "Heating Up: The Energy Debate" October 2nd and 3rd at Gustavus Adolphus College in St. Peter, registration is \$45. <http://gustavus.edu/events/nobelconference/2007>
- RMEB Commissioners asked about Jack Keers health. Commissioner Keyes indicated he is getting treatment and would appreciate calls and emails.

**Adjournment:** Chairman Kletscher adjourned the meeting at 11:55 am.

Minutes Prepared By Annette Bair, Staff.

Minutes Reviewed By:

Minutes Approved By:

  
Energy Board Secretary Hoime

  
Energy Board Chairperson Kletscher