

**MINUTES - MONDAY, MAY 22, 2023 AT 1:00 P.M.**  
**RURAL MINNESOTA ENERGY BOARD**  
**CENTER FOR REGIONAL DEVELOPMENT OFFICE, SLAYTON, MN**

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**COMMISSIONERS ATTENDANCE:**

Blue Earth County .... Kevin Paap	Mower County..... Dan Sparks
Brown County..... Jeff Veerkamp	Murray County ..... Dennis Welgraven
Cottonwood County... Tom Appel	Nicollet County ..... Kurt Zins
Faribault County ..... John Roper	Nobles County ..... Gene Metz
Freeborn County ..... Absent	Pipestone County ..... Dallas Roskamp (Alternate)
Jackson County ..... Don Wachal	Redwood County ..... Dennis Groebner
Lincoln County ..... Mic VanDeVere	Renville County ..... John Robinson
Lyon County ..... Todd Draper	Rock County ..... Gary Overgaard
Martin County ..... Steve Flohrs	Watsonwan County..... Scott Westman

**OTHERS PRESENT:** Molly Malone (Murray alternate) Rose Patzer (MnWest), Sam Ritchie, Jamie MacAlister (MN Dept of Commerce), Jason Walker, Kim Murphy

**CALL TO ORDER / PLEDGE OF ALLEGIANCE / INTRODUCTIONS**

Chair Appel called the meeting to order at 1:00PM followed by the Pledge of Allegiance and Introductions.

**Sam Ritchie, Legislative Update:**

It has been kind of an odd year at the Legislature as opposed to prior years with a divided government. The Energy Committee had a disjointed year with some priorities moving early on in session. That included speeding up the time frame for the state's utilities to derive all their energy from carbon-neutral sources and moving that up to 2040. That bill was a priority for the caucus and moved quickly and early. The legislature removed waste-to-energy from the hierarchy so it is no longer considered renewable energy. That decision was a bit controversial and there was some push-back. Through the process, there was a deal made to do a study on how we get to zero waste in this state. Waste-to-energy will be a key component of that study group.

Another big energy ticket item that moved before the Omnibus bill process, was establishing a state competitiveness fund to leverage some of the federal resources that have been passed in the energy space through the Infrastructure and Jobs Act. That bill also went on its own early in session and the state put up \$115 million out of the general fund into the State Competitiveness Fund that will be used to leverage federal grants for renewable energy projects. Governor Walz signed this legislation back in early April.

The Omnibus Climate and Energy bill received \$282 million from the general fund and \$110 million from the renewable development account. Every area of the budget received some new money to spend over the existing base. Some of the grants that were funded include; Pre-weatherization for homes and workforce Training (just under \$40 million), Solar for Schools (\$30 million), MN Climate Finance Authority (\$20 million) – funds for a green bank to leverage federal dollars for projects that aim to reduce greenhouse gas emissions, Electric Vehicle Rebates (\$15.5 million), a high voltage transmission line to North Dakota (\$15 Million), Electric School Bus Grants (\$13 million), distributed energy upgrade grants (\$10 million), heat pump grants (\$7 million). From the Department of Ag, Residential Electric Panel grants (\$6.5M), Electric Grid Resiliency grant (\$5.3 million), and then some funding for solar arrays

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at the National Sports Center and some energy for storage incentive grants for \$4 million. Also, onsite energy storage systems provided for \$3 million and some climate action grants at \$3 million.

Also, the tax bill provision to combine small scale solar projects that don't reach the production tax purposes on their own but can be combined for production tax purposes did make it into the final Bill. There were no changes at all to the production tax.

This group had written a letter and were tracking the language for easing the restrictions on powerlines in the MnDOT right-of-way for construction (House file 2570 and Senate File 2514). That did make it into the final Transportation Bill that was approved on May 21, 2023.

**Questions for Sam Ritchie**

- 1) Is there PACE funding? Sam is not sure if there are changes to funding, but there will be changes to allow use of PACE funds for Ag Projects.
- 2) Gas Tax / Any additional charges for electric vehicles? Gas tax was increased and adjusted to inflation so it will automatically increase annually. Sam is uncertain about fee changes for EV charging but will check into it.
- 3) MN Soybean Association had discussed the possibility of filing a lawsuit against Governor Walz regarding combustion engines. It was discussed and the State said they were not going to pursue it. Sam will check in with his Ag colleagues to see if there is any more on that.
- 4) Gas Tax will be increasing \$.05 and will be adjusted to inflation.
- 5) Amazon Tax - any deliveries over a \$100 will be assessed a \$.50 fee.
- 6) Bonding Bill – Any highlights that may affect this area? Wastewater projects proposed and Transportation projects will be funded. Sam will send the updated bonding spreadsheet. They did get to an agreement of \$2.6 Billion in bonding projects.

RMEB members thanked Sam for all his work.

**AGENDA:**

**M/S/P** VanDeVere / Groebner to approve the agenda.

**MINUTES:**

**M/S/P** Flohrs / Metz to approve minutes from March 27, 2023.

**FINANCIAL REPORT:**

Treasurer Wachal presented the financial report and bills.

**M/S/P** Veerkamp/Overgaard to accept the financial report and to pay the bills in the amount of \$6,810.00.

**M/S/P** Veerkamp/Overgaard to accept the financial report.

**Executive Committee:** The Executive Committee had not met. Jason and Chairman Appel authored a couple of letters (Re: DE-FOA-00002740 & Rural Minnesota Energy Board Statement of Support). Molly also contributed to the content of the letters. According to Jason one has passed and the other application was submitted on May 17.

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KSTP TV - Chairman Appel was contacted – Mic VanDeVere and Molly Malone were interviewed. Molly set up the interviews which each took approximately 2 hours on the topics of transmission, production taxes, curtailment and 2040 clean energy goals. Jason will email reporter to get a link to the article and video.

**PACE:** The PACE Committee has not met. Deputy Weis had an application under \$8,000. They will meet on that soon. Staff are currently doing follow ups. There is one account they are having issues with, which is not new. There are two other borrowers who are currently delinquent, but they have made catch-up payments in the past.

**Legislative Committee:** With new board members and budget time approaching, members discussed whether to continue services from Sam Richie from Fryberger. Current payments are \$18,000/year.

The Board felt they needed to continue to maintain a relationship with Fryberger. Members expressed that having Sam speaking on behalf of the counties is a benefit since he is well respected, and opens doors for the RMEB.

**Member Updates:**

- **Blue Earth** – Nothing to report.
- **Brown** – Working with Region 9 regarding a solar project.
- **Cottonwood** – Working with Big Bend Wind permits – They are doing some final permit approval this fall. Solar seems to have fallen by the wayside. Confident wind project will go through in 2024.
- **Faribault** – Just approved a CUP to Invenegy. They are going to put up solar weather stations to collect data. The first will be 150 megawatts and then will hopefully be able to tie in another 150 megawatts into that one. Half of land under contract.
- **Freeborn** – Absent
- **Jackson** – Update on Three Waters Wind Project. Construction to take place in 2024-25. System is on different type connection than the MISO connections. Project site is in SE Jackson County.
- **Lincoln** – There are three wind businesses trying to buy up land rights on the east side. One company says they are looking to put up 5.8 megawatt towers that are 700 feet tall. Nothing is moving forward on this. Contract proposals are for \$125/acre wind rights and \$36,000/year for the power.
- **Lyon** – They issued a conditional use permit for Next Amp Solar Energy. They have now reapplied. The county had an issue with how the company would decommission the solar site. They wanted to give the County a \$25k bond. The County asked for \$25k cash so it can be used at the board's discretion. The County formed a committee that decided that \$25k was not enough (solar panels will not be accepted into landfills).
- **Martin** – Nothing to report.
- **Mower** – Currently getting close to an agreement. Dodge County is building a big wind farm and they need to get their transmission lines to the sub-station in northern Mower County. If allowed, MNDOT highway right-of-way will help get transmission lines into northern Mower County. The county submitted a letter to the Public Utility Commission (PUC) requesting they can continue to

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have local control as those lines go through the local county right-of-ways as well. There is another solar project they are working on and will report on that at next meeting.

- **Murray** – The 150 MW solar project will be closer to Hadley now than Lake Wilson due to wetlands. The project will include 1500 acres and will likely go online in 2026.
- **Nicollet** – Nothing to Report.
- **Nobles** – Re-power 15 towers.
- **Pipestone** – The county has a couple small wind projects trying to take off but they can't get them built – Xcel doesn't want to hook them up. There is a private individual wanting to put up a small site with power going west. It is a very ambitious goal for an individual.
- **Redwood** – They had 2 Xcel reps at the county meeting last week about the Sherco transmission line. They claim that both solar and wind projects will be ready to go as soon as transmission lines them.
- **Renville** – Small producers of renewable energy thus far. The county doesn't receive much for income from them.
- **Rock** – Elk Creek is applying for 150 MW solar project that will need about 1,500 acres. Production could start in 2025 assuming everything is permitted.
- **Wantonwan** – Nothing to report.

**SW CERT:** As part of the Energy Bill, Clean Energy Resource Teams will get an addition \$500 thousand per year added to their base in perpetuity.

World Mart received another grant from RSDP for \$10,000 to be used to put electric and solar on the actual bus. Grant also pays for education and outreach activities. The University of MN hired a graduate student to continue working on the project.

Jason has been writing grants as part of a subcontract with Region Five from the Energy Foundation. One grant, the Energizing Rural Communities Prize, supports working with tribal colleges across the state, certifications programs, weatherization programs, and building up the workforce.

Staff is also working with MNDOT on a Charging and Fueling Infrastructure grant for \$8 million to install charging infrastructure in greater Minnesota, with an environmental equity focus. Staff received 11 letters of support from cities, counties, tribal members, and utilities in the southwest region for the application.

Recently Marshall Public Schools became the first school in the Solar for Schools program to install solar panels they bought with money from the program. They installed 200KW total including all schools plus their CTE bldg. They are excited and would like to do even more.

A new grant just opened for Electric buses for schools. The grant will pay 85% of cost up to \$360 thousand.

**OTHER BUSINESS AND REPORTS:**

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Gene Metz shared that there had been an email circulated regarding Minnesotans against solar and wind power. The opposition is focused on federal subsidies to build. Some members get the publication, American Experiment, and there is an article in a recent issue heightening awareness of the controversy.

**NEXT MEETING** – July 24, 2023, and September 25, 2023

**FUTURE TOPICS / GUESTS:** Rich Davis with Mn Dept of Commerce to present.

Tour Suggestions for the 9-25-23 meeting or later this summer: Green Ammonia Fertilizer (Morris, MN) or Marmen Energy (Brandon, SD). Jason will check into these options.

As a future meeting topic, Rose Patzer suggested something on the new hydrogen economy. Another suggestion for a guest speaker would be Mariah Lynne from Albert Lea. She is the president and CEO of Good Steward Consulting – a renewable energy consulting business founded in 2017.

Chair Appel adjourned the meeting at 2:03 PM.

Minutes prepared by Kim Murphy, Development Planner at SRDC.

Reviewed by:

Approved by:

Secretary

Chairman