

**MINUTES - MONDAY, JULY 24, 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..... Absent
Brown County..... Jeffrey Veerkamp	Murray County ..... Dennis Welgraven
Cottonwood County... Tom Appel	Nicollet County ..... Curt 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 ..... Absent	Renville County ..... John Robinson
Lyon County ..... Todd Draper	Rock County ..... Gary Overgaard
Martin County ..... Absent	Watonwan County..... Scott Westman

**OTHERS PRESENT:** Adam Sokolski (EDF Renewables), Rich Davis (Commerce), Leah Wilkes (Commerce), Rose Patzer (MN West), Scott Coenen (Avangrid Renewables), Brian Strub (Commerce), Jack Kolars (Nicollet Alternate) Vince Robinson (Lincoln County Enterprise Development Services, Inc), Molly Malone (Murray alternate), Jason Walker (SRDC), Kim Murphy (SRDC)

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

Chair Appel called the meeting to order at 1:02 PM followed by the Pledge of Allegiance and Introductions.

**AGENDA:**

M/S/P Wachal / Welgraven to approve the agenda.

**MINUTES:**

M/S/P Groebner / Overgaard to approve minutes from May 22, 2023.

**FINANCIAL REPORT:**

Treasurer Wachal presented the financial report and bills.

M/S/P Metz/ Veerkamp to accept the financial report and to pay the bills for \$7,276.40.

M/S/P Metz / Veerkamp to accept the financial report.

**SUBCOMMITTEES AND RMEB BUSINESS:**

**Executive Committee:**

Chair Appel shared that the executive committee met two weeks ago. The committee worked through the 2024 budget, wrote a letter to the editor of the Star Tribune, and dealt with a couple of other issues, including talking through the National Electric Transmission Corridors comments.

The executive committee did not make any changes to the budget as the fund balance is stable. The committee did not see any need to make any adjustments. The Fryberger contract will remain the same: \$18,000 for a fixed lobbyist from 2023 to 2024. Per Commissioner Metz, Sam Ritchie is unable to be here today. We need someone with boots on the ground representing us to monitor the activities in the legislature. Sam does a good job of it.

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M/S/P Wachal / Welgraven to approve and set the 2024 Budget with the same numbers as 2023.

A notice regarding the 2024 budget will be sent to all of the RMEB counties.

The executive committee discussed the National Interest Electric Transmission Corridors. Staff reached out to several allies or partners to gain further guidance, and they recommended signing on to the MISOCCC comments. This included comments about having that local voice to be able to say something about how the rules are set for these corridors. It will go across multiple states and jurisdictions and developers could apply to the federal government. If a state or local jurisdiction were against it and it is a central corridor, there is a possibility of getting it overruled. Those rules are being made right now so this is just about having input as to what those rules should be so there is a local voice to it in the decision-making process.

Jason sent a thank-you to KSTP for the television news story they did. The RMEB sent a letter to the Star Tribune about the Public Utilities Commission (PUC) process. The Star Tribune requested an exclusive letter to the editor, but the letter has not been printed yet after five weeks. The board decided not to send the letter to any other entities.

**PACE (Property Assessed Clean Energy):**

Commissioner Wachal shared that the committee will be meeting Friday morning, July 28, 2023, to go over an application. There are two additional applications in progress.

**Legislative Committee:**

Commissioner Metz indicated there have been no updates. This committee would like to have one or two additional members to serve on the Legislative Committee.

**Guest Speaker:** Adam Sokolski from EDF Renewables joined the meeting to speak to the group on curtailment increasing in Minnesota.

Wind curtailment is increasing in severity as well as geographic scope around Minnesota in 2023 for the first six months of the year. This trend is impacting old projects as well as new ones. EDF estimates that there is at least \$1.4 million in SW Minnesota (Nobles, Murray, Pipestone) that will be impacted as far as tax revenue. Nobles County substation is a key substation for southern Buffalo Ridge Wind to get on the high voltage system. There is currently a transformer outage with the Nobles County substation. The outage is scheduled through the end of 2023. The outage has reduced the rating of that system by about 600MW or 50% in terms of capacity.

**Guest Speaker:** Rich Davis from the MN Department of Commerce, EERA, joined the meeting to speak about site permitting, route permitting, and permit compliance.

The Energy Environmental Review and Analysis (EERA) is a unit within the MN Department of Commerce. EERA is made up of only nine people. The EERA team is responsible for shepherding applications for site

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and route permits through the state permitting process. They provide the commission with technical expertise and environmental review and coordinate with other agencies and tribes. They also are responsible for public engagement. This team develops guidance for development and permit compliance.

The EERA works for the commissioners of the Public Utility Commission (PUC) providing environmental review for any projects the PUC is looking at. When working on public relations or agency engagement, the EERA does not advocate for or against projects

He shared a list of Certificates of Need and permits that are written by the EERA and talked through the general processes.

- Certificate of Need – number of legislative changes to this topic
- LWECS Site Permit
- Solar Facility Site Permitting
- HVTL Route Permitting – includes Gen-tie Lines
- Pipeline Route Permitting

Rich talked through site permit applications and the comparison between Wind SPA (MN Rule 7854) and solar SPA (MN Rule 7850). Counties are encouraged to participate in pre-construction and pre-operation meetings.

Slide presentation lists out permit compliance guidance documents.

**Guest Speaker, Leah Wilkes**, MN Department of Commerce, joined the meeting to speak about the Commercial PACE Program.

Leah Wilkes addressed the Commercial Property Assessed Clean Energy Program that is being administered by the SRDC. During the last legislative session, there were some changes to the statutes that expanded the eligibility of those who could use Commercial PACE financing. Farmland is now qualified commercial real property and eligible under the C-PACE loan program. The loan program can provide funding for land or water improvements such as permanent improvements to farmland or installing water conservation equality measuring equipment that permanently reduces a property's water consumption.

Based on the success of the regional program being administered by SWRDC, Commerce is using that program as a model to expand C- PACE to other regions. SRDC has offered to be of assistance to other regional development organizations to start up the program in their respective regions. The Dept of Energy is processing a lot of applications and there will be more to come once Commerce finds out the status of their application.

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Regarding the shortage of energy auditors, Commerce is looking at how federal and state funding options can address upfront audit costs for small businesses and how to leverage that funding to address auditor shortages in greater Minnesota.

Additionally, Commerce regulates state-chartered banks and credit unions. They are using their relationships with the associations that represent those institutions to educate their members about Commercial PACE and looking for opportunities to connect community financial institutions in the region to the SRDC to discuss partnering to help resolve the fund and potentially originate loans. This will ensure that local projects are financed at a local level. Commerce is also working to educate community institutions about C-PACE as another method of referral to the program.

**Updates on Energy projects and issues:**

- **Blue Earth** – Nothing to report
- **Brown** – Still working on little projects with the city of Comfrey.
- **Cottonwood** – Big Bend was mentioned a couple of times during the meeting. Construction is anticipated to begin in 3<sup>rd</sup> and 4<sup>th</sup> quarters of 2025. It was originally scheduled to start in Q3 of 2023.
- **Faribault** – The big project that has been going on for approximately one year now is that the east side 169 has changed hands. Prime Energy has control of it. They have some problems to work through. Want to be online in 2025. They are down to approximately 850 acres and 350MW. The west side of the 169 project is moving forward with the tower going up.
- **Freeborn** – Absent
- **Jackson** – *Nothing to report*
- **Lincoln** – Absent
- **Lyon** – Nothing to report
- **Martin** – Absent
- **Mower** – Absent
- **Murray** – Lake Wilson Wind. There is another 1MW to go up south of Slayton that was going through the zoning board earlier this week.
- **Nicollet** – Nothing to report.
- **Nobles** – The last 3 power projects just about completed.
- **Pipestone** – Nothing to report.
- **Redwood** – Had a call from a company out of Chicago wanting general information They want a 2000-acre solar project. They do have 1800 acres spoken for already. No more is known.
- **Renville** – Nothing to report.
- **Rock** – Nothing to report.
- **Wantonwan** – Nothing to report.

**SW CERT:** The Legislature this year allocated an extra \$500,000 a year for perpetuity. Funding will, in part, be used to hire full-time coordinators across the state. SW Minnesota is covered as Jason already does this work for SW CERT. The SRDC will receive an extra \$20,000/year base but then will continue to

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get grant money on top of that. The job postings for CERTS Coordinators are on the website. SRDC Staff has trained to become ambassadors for the Inflation Reduction Act (IRA).

Jason helped write the grant, Energizing Rural Communities, which won a \$100,000 prize. The prize is not tracked like grant money and the money can be used at the discretion of the recipients. The starting point is to work with the White Earth Tribal and Community College which has a solar installation certificate program that trains their tribal members. The plan is to build that program up and start a pilot program inviting tribal members from all over the state, including Lower Sioux from our region to use the train-the-trainer model. In general, this will build clean energy college programs.

Seed grants will be ready to go in the next couple of weeks. The grants will be \$5,000-10,000 this year.

**OTHER BUSINESS AND REPORTS:** Peder Mewis invited members to attend a free Solar & Ag Workshop event to be held on 8-11-23 from 9 AM to 1 PM in Bloomington, MN. It is about the Prime Farmland Rule. Peder is wondering if anyone from our region is interested in attending.

**NEW BUSINESS**

Discussion about the RMEB board participating in a tour of West Central Research & Outreach Center in Morris, MN. The information to be shared would be regarding the Green Ammonia Project - Turning Wind Energy into Fertilizer. There are two components to the visit: Virtual & Site Visit. Staff will check into setting up the virtual component on 9/25/23 and will delay the site visit until spring 2024.

**NEXT MEETING:** September 25, 2023

**MEETING DATES IN 2023:** November 27, 2023

**FUTURE MEETING TOPICS / GUESTS -**

**ADJOURN:**

Chair Appel adjourned the meeting at 2:37 PM.

Minutes prepared by Kim Murphy, Development Planner at SRDC.

Reviewed by:

Approved by:

Secretary

Chairman