

RURAL MN ENERGY BOARD MEETING
MONDAY September 28, 2015, 1:00 p.m.
CRD Office, Slayton, MN

MEMBERS PRESENT:

Blue Earth County... Will Purvis	Mower County Tim Gabrielson
Brown County Excused	Murray County..... Gerald Magnus
Cottonwood County Tom Appel	Nobles County Excused
Faribault County Excused	Pipestone County.... Dan Wildermuth
Freeborn County..... Glen Mathiason	Redwood County ... Sharon Hollatz
Jackson County. David Henkels	Renville County Bob Fox
Lincoln County Mic VanDeVere	Rock County..... Excused
Lyon County Rodney Stensrud	Sibley County Excused
Martin County Steve Flohrs	Watonwan County . Excused

ALSO PRESENT: Jim Haler (South Central Electric Assoc.), Paul Pierson (USDA RD), Robin Weis (Staff), Jay Trusty (Staff), Annette Fiedler (Staff), Larry Sprague via conference call.

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

PLEDGE OF ALLEGIANCE: Chairman Purvis asked everyone to stand for the Pledge of Allegiance.

ANNOUNCEMENTS: Rural Minnesota Energy Board members were informed of the recent passing of Marv Tinklenberg, former RMEB Commissioner, a card was passed around for signing for the visitation. Public notice for the Marshall solar farm was also passed around the room.

INTRODUCTIONS: Chairman Purvis asked everyone present to introduce themselves.

CHANGES TO THE AGENDA: None.

M/S/P: Fox, Gabrielson to approve the agenda.

MINUTES:

M/S/P: Mathiason, Flohrs to approve the Minutes of July 27, 2015

FINANCIAL REPORT: Treasurer Henkels gave the financial report and presented the following bills: SRDC July and August staff and financial service \$1096 & \$360; PACE Admin \$2864.18; PACE Outreach \$2864; Lobbyist \$673.50. The funds after the pending paid are \$170,506.84.

M/S/P: Magnus, Hollatz to approve the financial report and payment of bills.

RMEB SUBCOMMITTEE REPORTS:

Executive Committee: PACE Funding opportunity Conversation with Larry Sprague via phone, Sustainable Energy Funding Program. They are a 501c3; and receive funds from large corporations as an investment vehicle specifically for: energy efficiency, renewable energy, and sustainable design. Being privately financed they are not subject to Davis Bacon, prevailing wage, etc. Their partnership must be with a unit of government (the RMEB is a special purpose local unit of government). Interest rates so far have ranged from 1.8 to 3.1%; minimum bundled project size is \$3 million, they like \$10 to 15 million better. They would cover the cost for PACE outreach. Bulk pricing could also be used to reduce the cost for projects. Discussion involved qualifications, eligibility, bulk purchasing, contractors, legal counsel, etc.

M/S/P: VanDeVere, Fox to explore the options for feasibility of new financing, do not end the existing PACE Program at this time.

There was a consensus that the PACE committee and staff explore the opportunity to expand the PACE program.

PACE: Robin Weis reported that there have been two loan applications reviewed and approved by the PACE Committee, one in Nobles County for \$46,000 and the other in Jackson County for \$28,500.80. She indicated that both these PACE loans were maxed out of their 20% of the value of their property. The amount of funds in the PACE loan with the processing of these two loans is \$765,000.

The PACE Committee also discussed non-profits. In July there was a potential applicant that was a non-profit to access the PACE funds. The PACE Committee has indicated that if applicants are willing to have a special assessment and they have an assessed value on their structure that they would have the ability then to pay back the loan.

M/S/P: Mathiason, Fox to increase the eligibility for accessing PACE funds to include non-profit organizations as long as they have the ability to pay back and have an assessed value.

The PACE Committee also discussed conflict of interest. Should an Energy Board Member be permitted to access the PACE loans for their own businesses.

M/S/P: Fox, Gabrielson, RMEB members may apply for PACE funding but must abstain from voting.

Tour Committee: *(no report)*

Legislative Committee: The Legislative committee brought forward to the AMC policy meetings the topic of the production tax and levy limits. It was not selected among the top five topics.

The committee reported that Senator Koenen will sponsor the bill. Walli will meet with Torkelson and also Davis- to see what the climate is. It is anticipated that with the short session that not many new bills will come forward, but last years bills are likely to. Walli will be keeping an eye on the legislation from last year that would have changed the production tax. Wind on Wires has expressed that they could assist in supporting keeping the production tax the same. Counties were reminded to speak with their legislators on this issue – the production tax generates funds for the counties, and the counties do not want the formula changed.

M/S/P: Fox, Flohrs to ratify the letter of engagement with Kevin Walli to serve as Lobbyist for the RMEB during the 2015 – 2016 session.

Member Updates on Energy projects and issues

- Pipestone – Geronimo Energy has pulled their project out of Pipestone County;
- Lyon Co – Landfill gas;
- South Central Electric (Jim Haler) Lake Crystal at the North Star Ethanol plant – community solar project, 134 kW, using Ziennel Electric and Ten K solar panels. Redwood Electric – at Highwater Ethanol solar project 448 panels at 134.4 kW, should be completed by the end of November. The electric cooperative is the owner; financed through GRE and Co-Bank. Restrictions on community buy-in is they cannot purchase more than current electric usage or over 10 panels; cost is \$1275 per panel – upfront.
- USDA REAP – 115 projects, \$80 million this year, expecting \$40 million available next year. Cycles for the funding will be Oct 31 and April 31; and grants under \$20,000 are preferred.

SW CERT

- Fiedler reported on the July 9th community solar workshop in Pelican Rapids. The utilities met in the morning and discussed how the community solar garden projects were started in their utility; the afternoon session was for the public and included a tour of the solar garden.
- CERT Campaigns gas station canopy with LED lighting continues; Renewable Energy for Greater Minnesota is a new program and CERT staff is providing assistance to the Ag sector and rural businesses (REAP).
- Seed grants for energy efficiency and renewable energy projects will have an RFP soon. There will be \$20,000 for projects to be used for labor.

- Commissioners reported that they appreciated the SW CERT updates sent out otherwise they would not know about the opportunities. Fiedler will include all RMEB Commissioners on the updates – including those beyond the 12 county SW CERT region.

OTHER BUSINESS AND REPORTS: None

NEW BUSINESS: None

MEETING DATES: November 23, 2015.

ADJOURN:

M/S/P: Gabrielson, Henkels to adjourn the meeting at 2:40 pm.

Minutes Prepared By Annette Fiedler, Staff.



Minutes Reviewed By

Energy Board Secretary



Minutes Approved By

Energy Board Chairperson