

**MINUTES
RURAL MN ENERGY BOARD MEETING
MONDAY January 28, 2008, 9:30 A.M.
CRD
SLAYTON, MN**

MEMBERS PRESENT:

Blue Earth County.....	Will Purvis	Murray County.....	Absent
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.....	Robert Ferguson	Redwood County.....	Brian Kletscher
Lincoln County.....	Larry Hansen	Renville County.....	Bob Fox
Lyon County.....	Bob Fenske	Rock County.....	Ken Hoime
Martin County.....	Absent	Watsonwan County.....	Scott Sanders
Mower County.....	Absent	Yellow Medicine Co....	Ron Antony

ALSO PRESENT: Gary Sieve (Nobles Coop Electric), Paul Pierson (USDARD), George Crocker (NAWO), Scott Marquardt (SW Initiative Foundation), Cheryl Glaeser (SW Initiative Foundation), Randy Fordice (Great River Energy/CAPX 2020), Arleen Vee (MN Pollution Control Agency), Jay Trusty (Staff), Annette Bair (Staff).

CALL TO ORDER: The meeting was called to order at 9:30 AM by Chairman Kletscher

INTRODUCTIONS: Chairman Kletscher asked everyone to introduce themselves.

CHANGES TO THE AGENDA: The following items were added to the Agenda: Sustainable Partnership Discussion & Outland Renewable Energy Information.

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

MINUTES:

M/S/P Warmka, Hansen to approve the minutes of November 26th, 2007 as written.

The committee was provided a copy of the joint meeting notes from December 3rd, 2007.

TREASURERS REPORT: Treasurer Hansen reviewed the outstanding bills for the RMEB as follows: Jay Trusty's November/December Metro Project expenses \$200, Annette Bair's November/December general RMEB staff time \$2,325, travel \$338.59, SRDC finance for November/December general RMEB funds \$262.50, and Campbell Knutson general legal fees in the amount of \$120. Also approved through the Executive Committee and requires approval by the RMEB is the MCIT Public Officials and General Liability Insurance in the amount of \$2,051. The Energy Board was provided an annual revenue and expense overview from 1996 through the end of 2007.

M/S/P Hansen, Hoime to approve the Treasurers Report and payment of bills.

MCIT update on JP insurance - Scott Sanders reported it will be a discussion item at the MCIT Board meeting in March.

JOINT POWERS BOARD OPERATIONAL BUSINESS AND SUBCOMMITTEE REPORTS

Subcommittee Appointments: The following members were assigned to the Legislative and Rural Metro Subcommittees.

- Legislative: Fox, Benson, Vickerman, Hansen, Thier, Wortel, Kletscher -
- Rural-Metro: Warmka, Kletscher, Fox, Hansen, Hoime.

Subcommittee Reports: Rural-Metro and Legislative committee reports (combined). Fox and Warmka reported on the legislative activities that are in relation to the Rural Metro Project - focusing on discussion of the Winona County legislation and issues and CBED changes. A meeting is being scheduled with Metro Commissioners and Representative Koenen and Hilty to seek their support in authoring legislation.

The LCCMR Project RFP was presented by Jay Trusty and reviewed by the RMEB. The document has been reviewed by the RMEB legal counsel. RMEB members identified the need to change the dates in two areas of the document - which resulted in pushing the time frame back two weeks to allow for proposals to be developed and submitted. It will be sent to consultants and posted on the RMEB website.

M/S/P Hansen, Ferguson to approve the RFP with the changes to the dates identified above.

Appointment of LCCMR Project Executive Committee: Chairman Kletscher reported that an Executive committee needed to be appointed to work directly with the project. Since Commissioners Warmka and Fox have been working closely with the project and can provide continuity to it, he asked that they serve on the committee. Other RMEB members were asked if they had an interest in serving. Commissioner Benson indicated he was interested.

The LCCMR Project Executive Committee is as follows: Warmka, Fox, and Benson. The Metropolitan Policy Energy Commission (MPEC) members are McLaughlin, Schmeising, and a third to be named later.

Election of Officers: Chairman Kletscher turned the meeting over to Jay Trusty to run the election of Chairman.

Chairman - Trusty asked for nominations for RMEB Chairman. Brian Kletscher was nominated to serve as RMEB Chairman.

M/S/P Antony, Saunders to cease nominations and cast a unanimous ballot for Brian Kletscher to serve as Chairman.

Chairman Kletscher resumed chairing the meeting.

Vice chairman - Chairman Kletscher requested nominations for Vice chair. Bob Fox was nominated.

M/S/P Oeltjenbruns, Hoime to cease nominations and cast a unanimous ballot for Bob Fox to serve as Vice Chairman.

Secretary - Chairman Kletscher requested nominations for the position of Secretary. Ken Hoime was nominated.

M/S/P Warmka, Ferguson to cease nomination and cast a unanimous ballot for Ken Hoime to serve as Secretary.

Treasurer - Chairman Kletscher asked for nominations for the position of Treasurer. Larry Hansen was nominated.

M/S/P Fox, Warmka to cast a unanimous ballot for Larry Hansen as Treasurer.

Regional Sustainable Development Partnership

David Benson reported on Regional Sustainable Development Partnerships. He distributed a booklet that describes the Sustainable Development Partnerships which cover several areas of the state. The southwest portion of the state does not have a Regional Sustainable Development Partnership.

The Partnerships are an extension of the University. There are currently five Partnerships, each with a Citizen Governing Board, and there is no pay. They work with \$150,000 to \$180,000 per year on small projects. There is one staff person in each region and they meet quarterly. The other Sustainable Development Partnerships have CERT. In southwest, the SRDC staffs the CERT. This would continue to be that way. The request by Benson is for the RMEB to submit a letter of support for an additional annual appropriation to fund a Southwest Regional Sustainable Development Partnership.

M/S/P Fenske, Warmka to approve the letter regarding support of the Regional Sustainable Development Partnership funding with the provision that the CERT remain with the Southwest Regional Development Commission.

Discussion: RMEB directed Benson to draft language and provide it to Bair. Bair was to review it, modify it if necessary and send it on to the Chairman for review and signature.

Outland Renewable Energy

Commissioner Antony reported that he had received a letter from Outland Renewable Energy. He had asked if it maybe appropriate to invite Outland to come to the Energy Board and focus on technical concerns on the independent line and technical side. Bair was asked to work with Outland and invite them to an upcoming meeting.

Rural Wind Energy Development Assistance Program

Cheryl Glaeser reported that they are working on development of that program and distributed an executive summary. The foundation is planning on doubling the funding so it can be extended into the future. She requested that at a future meeting that she be able to provide a more detailed report on the Rural Wind Energy Development Assistance Program.

CERT Update

Bair was asked to provide a report on the status of Southwest CERT. Bair reported that AURI has the Community Wind Handbook completed however we just learned earlier in the previous week that there were some updates needed regarding the document and those were being incorporated. The actual document is updated on the website and AURI plans to print a copy for each of the counties of the current document with the updated changes for January. On February 11th, the Southwest CERT will be sponsoring a workshop with the Department of Commerce Permitting staff. The workshop will be focused on land use and local road issues. There was discussion on Southwest CERT funding of projects and the interest by people in Southwest Minnesota for potential energy audit activities.

The Community Wind Development Handbook was updated in January 2008 and is now available on the AURI website:

http://www.auri.org/research/communitywindstudy/community_wind_study.htm

New Business:

The Department of Commerce will be holding the first of the second round of the Dispersed Generation meetings possibly in March. It will be dependent upon when the Department of Commerce staff can attend the meetings.

Crocker, from NAWO, discussed feed in tariffs state interconnection which is both intrastate and interstate and C-BED how projects can co-develop.

Randy Fordice of GRE reported that the work group meetings for CAPX 2020 will be set for later in the month. He reported that there will be one in Marshall on March 25th, and Redwood Falls on the 18th. Open houses are planned between March 21st and April 3rd. Certificate of Need meetings will be June 16th through the 27th. In August there will be another round of open houses and in September the route application will be submitted.

Gary Sieve reported that Navitas is proposing wind energy in the Nobles Cooperative Electric area. He asked that if the RMEB knows about projects that they share the information with Nobles County Cooperative. Bair reported that she had completed a survey with the Zoning Administrators in early 2007 which identified the number of megawatts in each county as of that time, also inquiring if there were projects known in the development stages or the discussion stages. She could if directed by the Energy Board to do that survey again. Glaeser reported that that information also would be useful for the Rural Wind Energy Development Assistance Program.

2. RMEB requested Bair to update 2007 wind generation survey of counties.
3. Future meeting presenters: AURI, SWIF, Outland Energy.

Future Meeting Dates: Due to the amount of activity that is needed, at least initially with the LCCMR Project, Chairman Kletscher requested that the Energy Board reserve February 25th and April 28th as meeting dates. Kletscher reported that the Executive Committee will be meeting prior to the February meeting to look at developing a budget draft for the RMEB.

Adjournment: The meeting adjourned at 10:45 am.

Minutes Prepared By Annette Bair, Staff.

Minutes Reviewed By:


Energy Board Secretary Hoime

Minutes Approved By:


Energy Board Chairperson Kletscher