

**RURAL MN ENERGY BOARD MEETING
MONDAY March 27, 2017 1:00 p.m.
CRD, Slayton, MN**

MEMBERS PRESENT:

Blue Earth County.....	Will Purvis	Mower County	Tim Gabrielson
Brown County.....	Dennis Potter	Murray County.....	Gerald Magnus
Cottonwood Co.....	Tom Appel	Nobles County.....	Gene Metz
Faribault County	Tom Warmka	Pipestone County.....	absent
Freeborn County.....	Glen Mathiason	Redwood County	absent
Jackson County.....	Don Wachal	Renville County	Bob Fox
Lincoln County.....	Mic VanDeVere	Rock County.....	Gary Overgaard
Lyon County	Steve Ritter	Sibley County	Gary Kruggel
Lyon County	Gary Crowley	Watsonwan County.....	Scott Sanders
Martin County	Steve Flohrs		

ALSO PRESENT: Annette Fiedler and Robin Weis (SRDC – RMEB staff)

CALL TO ORDER: The meeting was called to order at 1:05 p.m. by Chairman Mathiason.

PLEDGE OF ALLEGIANCE: Chairman Mathiason led the Pledge.

INTRODUCTIONS: All were asked to introduce themselves.

AGENDA: No changes were made.

M/S/P: Purvis, Flohrs to approve the agenda as presented.

ANNOUNCEMENTS: There were no announcements

MINUTES: Fiedler indicated that she had made a change to the last page of the minutes to reflect signatures for the chairman and secretary.

M/S/P: VanDeVere, Wachal to approve the minutes with the change identified.

FINANCIAL REPORT: Treasurer Magnus reported that all dues had been received. He then reviewed the pending bills and the financial report. Pending bills from January and February: SRDC Contracted services \$1805; PACE Admin \$3074.93; PACE Outreach \$560; Lobbyist \$3483.95; Fiscal management \$1032.50 (total of 9956.38). Revenue over expenditures is 5499.62; total funds after pending bills paid will be \$123,373.99.

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

SUBCOMMITTEE REPORTS:

Executive Committee: Chairman Mathiason reported that Fiedler has been contacted by the MN DOC regarding serving on a Wind and Solar Decommissioning Working Group convened by the Minnesota Department of Commerce. This will require 4-5 meetings of stakeholder to make recommendations to the Public Utilities Commission on best practices for decommissioning wind and solar facilities. The time frame for these meetings held in the cities are March through September. Request is the RMEB cover 50% cost and the SRDC will cover 50% cost.

M/S/P: Fox, Metz to approve covering 50% of the cost for Fiedler to serve on the Wind and Solar Decommissioning Workgroup as described.

Discussion: Energy Board members indicated this was a very worthwhile endeavor. In Lincoln County there are turbine towers currently being taken down after they tipped over.

Tour Committee: Ritter and Purvis asked the RMEB where they would like to tour this year. After discussion it was determined to work on developing a tour to the Deer Creek Station and if it worked out, to tour the PACE project in Tyler. Initial plans are to meet a bus at Tyler after viewing the PACE project there, ride the bus to the Deer Creek Station, then to Lake Benton for lunch and a short business meeting, and return to Tyler where the vehicles will be parked. The preferred date for the tour would be July 31st.

PACE (Property Assessed Clean Energy) Robin Weis staff, Gerald Magnus, Gene Metz, Will Purvis, Scott Sanders, Bob Fox. There is about \$476,442.61 in the PACE balance for lending purposes; \$538,176.61 has been loaned out in 14 loans. The committee approved an additional loan for a Pipestone County property owner in the amount of \$10,500. There have been 15 property owners who have submitted an application for energy audit assistance. As of March 1 there were changes to the co-op loans (see below) to make the repayment easier to handle, given that most PACE loans have long amortization periods. Weis and Fiedler met with Salmonson with East River in January.

- REDG 0% interest – a 12 month moratorium on the monthly payment of \$2,500.
- REED – 3% loan – extending the amortization schedule to 20 years with \$8,302 annual payments instead of \$17,381.
- The ARRA dollars will need to go back to Commerce after 6-30-2019.
- Staff has been directed to research other entities (REAs foundations, etc.) for funds to help with outreach as well as increasing the funds available for loans; seek to change the ARRA requirement to allow the funds to continue to revolve. RMEB Members were also asked to look at professionals/groups in their own counties to have Robin give a train the trainer type of presentation / guidance to enable outreach to occur in the RMEB counties in combination with other current outreach being conducted, etc.
- Ultimate goal is to have PACE be self-sufficient.

Legislative Committee - Gene Metz (chair), Gerald Magnus, Tom Warmka, Steve Flohrs. SF 1906 / HF 2170 got to 2 steps into the process before it was pulled. Assistance from Lobbyist office (Sam Richie) and Chris Kunkle of WOW. Legislation identifying no new wind with 1 mile setback does not promote development. Discussion included does the turbine signals affect GPS, Broadband, TV. The sound issue needs to be resolved, but not to the extent that it would prohibit development. The last chance to hear new bills was last Friday; watching the Omnibus Energy Bill.

There is a bill in the legislature regarding utilities to watch (HF1628/SF1630), Rep. Kiel & Sen. Utke were lead. The bill would allow DOR to set the property value, a utility could get the value lowered, the DOR would be responsible for the settlement.

Member Updates on Energy projects and issues from respective counties:

- **Jackson** – Trade winds (from Kansas is looking to develop in SE Jackson Co).
- **Sibley** – Gibbon project by Novel made an error on the 20' setback from the road – they measured from the centerline. They had to remove some of the poles installed.
- **Cottonwood** – Plum Creek project in Cot/Mur; plus has heard there may be another project in NE Cottonwood Co. (Apex).
- **Renville** – 3 one MW solar + have heard there may be a larger one. There is no Production Tax on 1 MW solar and smaller; the facility is taxed at whatever rate the property is under it. Commissioners are encouraged to speak to their Assessors and P&Z regarding how the 1 MW and under are taxed.
- **Mower** – NA
- **Murray** – two new solar farms; an expansion on the west side of town. Existing Wind farm wants to install longer blades – this will create issues with setbacks, etc. concern about towers. There is work toward developing a small wind farm in Pipestone/Mur, and large on in Nobles with may come into Murray.
- **Martin** – power line at about Highway 15 - solar development is beginning.
- **Watonwan** – Novel CUP near Butterfield has expired.
- **Nobles** – Nobles II – anticipate it will be permitted by the PUC in April or May; construction in 2018; production 2019. Co will look to see if they have anything in their ordinance on repowering.
- **Faribault** – the 345 line is heading south. Meeting on Tuesday on a wind farm in a SE Township. Maple Lake has a solar garden within the city limits on 40 acres; does the county need to permit too?
- **Brown** – NA
- **Rock** – Wind project in NW County – Walleye; also some solar projects.
- **Lincoln** – three 200 MW project are moving forward toward development in the county; one has a very aggressive schedule and is expecting to be operational by 2018.
- **Blue Earth** – no activity with the Dam.
- **Freeborn** – 200 MW wind farm much of it in Freeborn County; due to some opposition, some will likely be in Iowa.

MISO QUEUE: Fiedler referred the Energy Board to the handout provided that provided a description of what the initials for the study guide status in the queue stood for as well as what the application milestone and those initials stood for and what was required to be completed under each milestone.

SW CERT

- Seed grants and the SW Clean Energy Accelerator update. The reports are completed for the last three seed grants; new round expected later this year.
- SW CERT Steering Committee meeting with U of MN SW SDP scheduled for April 24, 2017 in Worthington for a strategic planning session.
- March 28-29, 2018 CERT Conference – St Cloud

OTHER BUSINESS / NEW BUSINESS: The Executive Committee will be meeting before the May 22 meeting to make a recommendation on dues. Chairman Mathiason asked for guidance from the RMEB on what they would recommend the Committee consider.

2017 MEETING DATES: May 22; July 24; September 25; November 27.

ADJOURN: Chairman Mathiason adjourn the meeting at 2:26 p.m. The next thing to keep an eye on will be the Omnibus Energy Bill.

Minutes Prepared By Annette Fiedler, Staff.

Minutes Reviewed By
Energy Board Secretary

Minutes Approved By
Energy Board Chairperson