

MINUTES
RURAL MN ENERGY BOARD MEETING
MONDAY November 26, 2012 @ 1:00 pm
CRD, SLAYTON, MN

MEMBERS PRESENT:

Blue Earth County	Will Purvis	Martin County.....	Jack Potter
Brown County	Dennis Potter	Mower County.....	excused
Cottonwood County.....	John Oletjenbruns	Murray County.....	Kevin Vickerman
Faribault County	Tom Warmka phone (10 min)	Nobles County	David Benson
Freeborn County	Glen Mathiason	Pipestone County	Marv Tinklenberg
Jackson County.....	David Henkels	Redwood County	John Schueller
Lincoln County	Larry Hansen	Renville County.....	Bob Fox
Lyon County	Steve Ritter	Rock County	Ken Hoime
Sibley County	Jim Nytes	Watonwan County	Scott Sanders
		Yellow Medicine Co	absent

ALSO PRESENT: Senator Dahms, Senator Weber, Senator Koenen (via phone), Representative Swedzinski, Representative Schomacker, and Annette Bair, Staff.

CALL TO ORDER : The meeting was called to order at 1:00 p.m. by Vice Chair Vickerman

PLEDGE OF ALLEGIANCE: Vice-Chair Vickerman asked everyone to stand for the Pledge of Allegiance.

CHANGES TO THE AGENDA: Recognition of outgoing Commissioners was added to the top of the agenda with the Legislative Committee report to follow.

COMMISSIONER RECOGNITION: Chairman Warmka joined the Board meeting via phone to give recognition and express appreciation to the eight outgoing Commissioners who collectively represent 51 years of service on the RMEB. Certificates of Appreciate were presented to: Marvin Tinklenberg (Pipestone) from 2005-2012; Ray Tucker (Mower) 2007-2012 – Mathiason from Freeborn County accepted on Tucker’s behalf; David Benson (Nobles) 2005-2012; Roger Ringkob (Jackson) 2006-2009 & 2012 – Henkels accepted on Ringkob’s behalf; Jack Potter (Martin) 2005-2012; Diane Their (Nobles) 2005-2012 – Benson accepted on Thiers behalf; Kevin Vickerman (Murray) 2007-2012; and John Baerg (Watonwan) 2005-2012 – Saunders accepted on Baerg’s behalf.

LEGISLATIVE COMMITTEE: Senator Dahms, Senator Weber, Senator Koenen (via phone), Representative Swedzinski, and Representative Schomacker were present for the legislative discussion of the production tax and the need to remove it from any future inclusion of levy limits. Vickerman, Benson, J Potter and Fox outlined the background of the Production Tax, the history from property tax to the production tax, how the intent of the production tax was never intended to be linked to levy limits, the impact of levy limits on counties who receive a production tax, and how the production tax is utilized.

Legislators discussed with the RMEB the need to educate the Tax Committee members, and to stay in communication with the legislators. Discussed was the importance that the Tax Committee Legislators understand the levy structure, where the dollars are used, and how important the production tax is.

The Board thanked the legislators for coming to meet with them and share insights on moving forward with this legislative initiative. J Potter indicated that both Gunther and Rosen are supportive for the RMEB issue.

Also discussed (later in the meeting) need make sure this is on the AMC Legislative Platform, should at some point solar also be included with a production tax?

MINUTES:

M/S/P Purvis, Ritter to approve the Minutes of September 10, 2012 as presented.

TREASURER'S REPORT: Treasurer Hansen referred the Commissioners to the finance handout and the bill submitted. Also included in the report was an invoice from Fryberger describing work done at no charge, an update of the bill received from Fox in the amount of \$260.31 approved in September for the meeting expenses.

M/S/P Benson, Hoime to approve the financial report and payment of the following bill:

- SRDC September bill in the amount of \$ 1,386.02

The Board was also asked to review and approve the staff contract with the SRDC. Changes from the CY 2012 contract reflected only date changes.

M/S/P Ritter, Schueller to approve the CY 2013 contract with the SRDC to staff the RMEB.

EXECUTIVE COMMITTEE: The Board reviewed the draft budget as presented by the Executive Committee. Bair reviewed each line of the draft budget and Commissioners discussed items for further clarification, including the question of the reserve balance and the past occasions that additional funds were needed for projects. These included funds needed for Intervenor Status, lobbyist fees, and work with the PUC on the Xcel Energy transmission line as well as the rural – metro energy project. The Board discussed capping the reserve for 2013. Also discussed were potential tours to potentially Deer Creek, or hosting a tour with the MPEC.

M/S/P Ritter, Tinklenberg to approve the CY 2013 budget and CY 2013 membership dues at \$2,000 and a reserve cap of \$150,000. Current members as of December 31, 2013 will receive a prorated share of the difference in 2014.

M/S/P Fox, Ritter to approve the Executive Committee authorization to pay the January MCIT bill.

MEMBER UPDATES ON ENERGY PROJECTS AND ISSUES

- Rock County reported on the 150 Geronimo Towers, Gevo switch from Isobutanol to Ethanol production, and the New Vision Feed mill
- Pipestone County reported that the maintenance building for the Geronimo project will be in Hardwick
- Jackson County reported there is some movement on wind projects with Iberdrola, Geronimo, enXco, and Gamesa. The ITC transmission line is moving forward (Jackson, Martin, Faribault counties).
- Freeborn Co reported no new information on wind projects, the ethanol facility is still producing, however may not be very profitable.
- Martin County reported they have been in contact with Iberdrola – the new phase is still in the works. The ethanol plant is recessed – water issues, DNR and water hardness.
- Blue Earth County reported that it has not been a good time for producing energy at the hydroelectric plant, but work is being done to overall haul the turbines.
- Redwood County reported on abatement being considered for the ethanol plant.

- Sibley County reported they have encountered problems with the pole location on some township roads and one mile of County Road 64. They placed the poles in the ditch within the road right of way. The problem is the roads do not follow the section lines several miles were drilled before the county caught the problem. Have your county engineer check stakes along the route before the concrete is poured.
- Renville county reported the substation is proceeding forward and being wired; a private group has purchased the Buffalo lake Ethanol Plant (10 million gallon plant)
- Nobles County reported on the Community Wind south project. The 15 RePower 2.05 MW towers are the tallest in Minnesota (100 meter). There was some difficulty in the construction due to high winds. They were planning on a December 1st date for them to be running. A December 5th Ribbon cutting. SRDC Staff have been invited to attend and have been involved with the project since the initial Got Wind Meetings. There are 33-35 local land owners invested in the project and the local land owners asked the wide turning radiuses for driveways and roads be left in place. Bair added that Mark Willers has extended an invitation for a tour of the CWS Facility, as well as a tour of the updated battery and substation (to FERC regulations) at the Minwind site.
- Murray County reported that the solar farm is under construction. enXco is shutting down their maintenance facility in the county and moving to San Diego, CA

CERT update: Staff updated the Board on the February 2013 Conference in St Cloud as well as the spray valve initiative.

MEETING DATES – 2013 meeting dates (usually 4th Mondays of odd months): January 28, March 25, June 3, July 22, Tour, September 23, November 25

ADJOURNMENT: Vice chair Vickerman adjourned the meeting at 3:00 pm

Minutes Prepared By Annette Bair, Staff.

Minutes Reviewed By:

Minutes Approved By:

Energy Board Secretary



Energy Board Chairperson

