

MINUTES
RURAL MN ENERGY BOARD MEETING
MONDAY September 28, 2009
CRD, SLAYTON, MN

MEMBERS PRESENT:

Blue Earth County	Absent	Murray County	Kevin Vickerman
Chippewa County	Absent	Nobles County	Diane Thier
Cottonwood County	John Oletjenbruns	David Benson
Faribault County	Tom Warmka	Pipestone County ...	Marv Tinklenberg
Jackson County.	Roger Ringkob	Redwood County.....	John Schueller
Lincoln County	Larry Hanson	Renville County	Robert Fox
Lyon	Steve Ritter	Rock County	Absent
Martin County	Absent	Watsonwan County ...	Scott Sanders
Mower County	Absent	Yellow Medicine Co ...	Jane Remiger

ALSO PRESENT: Ryan O'Connor (AMC - Phone), Randy Fordice (GRE, CAPX2020), Arlene Vee (MPCA), Bill Johnson (Pipestone Co. EDA), Jarrod Alholinna (GRE-MTO), Mark Willers (Minwind Energy), Yvonne Simon (Center for Rural Policy & Development), Jay Trusty (Staff) and Annette Bair (Staff).

CALL TO ORDER: Chairman Fox called the meeting to order at 9:30 a.m.

ANNOUNCEMENTS: Bair reported that the Public Utilities Commission is meeting on October 1st. The agenda includes Pleasant Valley Wind , a variance (Mower County), Lakefield Wind, Certificate of Need (Jackson County), and Nobles Wind, site permit (Nobles County).

INTRODUCTION: Chairman Fox asked those present to introduce themselves.

CHANGES TO THE AGENDA:

M/S/P Tinklenberg, Hansen to approve the following additions to the agenda. AURI template discussion, E3-2009 and Smart Grid Conference.

MINUTES:

M/S/P Oeltjenbruns, Warmka to approve the minutes of July 27, 2009 as written.

FINANCIAL REPORT AND BILLS: Treasurer Hansen reviewed the financial report and presented the following bills for RMEB consideration: SRDC July hours of \$2,767.95 and August \$3,882.95; HGA \$8,600.

M/S/P Hansen, Warmka to approve the financial report and payment to the SRDC for the July and August bills and the HGA bill.

Rural Metro Project-Joint Wind Initiative: Trusty reported that he had met with the LCCMR Board and that they were very interested in the Joint Wind Initiative report as well as identifying obstacles experienced with the project. The LCCMR Board granted an extension to July 1, 2010. Current status: Trusty has the full wind report from Wind Logics on a CD. There have been meetings with Lyon-Lincoln Electric, Lyon County and others regarding identification of a project site. A favorable site identified is at an old gravel pit in Lyon County. The neighboring land owners of that property are also favorable to the project. The WAPA application was submitted in June, it normally takes about 6 months to hear back regarding the application.

The seven counties who indicated a willingness to continue looking into the joint project were asked to meet after the meeting to determine a time to meet. Those counties are: Redwood, Renville, Yellow Medicine, Chippewa, Pipestone, Cottonwood and Murray.

AURI Template: Trusty presented information about a template that AURI commissioned to be developed on potential renewable energy resources by county, and can be populated using existing data. Regional Development Commissions in Northern MN have assisted their counties in populating the data. Trusty asked the Commissioners if they saw any benefits to populate the AURI Template in the counties in Southern MN. Commissioners commented that they saw no benefit other than it would provide a consistent database statewide. Developers present indicated that when projects are developed they do their own studies and would not be using the data identified in the AURI Template.

MARK WILLERS, CEO Minwind: Willers reported on several items.

- FERC (Federal Energy Regulatory Commission). Willers reported that the impacts of a changed FERC formula have had major monetary impact on wind projects in Minnesota. An example provided was for a 30 MW wind project with the old interconnect fee of \$641 thousand has grown to \$52 million. He indicated that this change in formula is holding up \$108 billion in wind projects and that several wind projects are filing against FERC.
- Xcel Energy and the battery at Minwind Project. Willers reported that this project is doing well. Next summer Xcel Energy will be coming out with a report on how the project is doing.
- Department of Labor. The Department of Labor has received funds for a 36 county area in SW MN to work with education regarding job and curriculum related to renewable energy and energy efficiencies.
- Science and Technology Committee. Willers has been appointed to a new Science and Technology Committee, a think tank, that meets regularly regarding bio-tech energy and medical. It is related to job work force with an education base. If any of the Commissioners have questions, ideas or concepts ask them to Bair and she will forward them to Willers.

Dispersed Renewable Generation Transmission Study Phase II: Presentation by Jarrod Alholinna, Great River Energy. The Phase II report was due by September 15, 2009. A webinar was given regarding the information. The study analyzed the impact of an additional 600 MW of dispersed generation projects installed amongst the 5 transmission zones. Using a 2013 year transmission model, the study included all the transmission facilities expected to be in service by that time. While the DRG Phase I Study took into account generation to be used within Minnesota, the DRG Phase II Study took into account generation to be used in Wisconsin, Iowa and the remaining MISO area. Differences between Phase I and Phase II included filtering out areas of water in Minnesota. Phase II tried to identify several megawatts of wind identified in the MISO queue period and eliminated the MISO queue areas from consideration of DRG Phase II sites. Analysis of the Phase II results concluded 600 MW of statewide DRG II is only possible with addition transmission upgrade and there are very limited (free) DRG opportunities. The cost analysis summary identified approximately \$121 million to achieve 600 MW of generation.

SW CERT UPDATE:

- **CERT Seed Grant:** Bair reported that there is \$40,000 available for each CERT region for projects through June 2011. These funds are for technical assistance to catalize community energy efficiency and renewable energy projects. The primary objective of the funding is to encourage implementation of community based energy efficiency and renewable energy projects, and provide a forum for community education and energy efficiency and renewable energy technologies. The projects are funded through the Minnesota Department of Commerce, Office of Energy Security. The funds are for labor only costs. The application deadline is November 2, 2009.
- Bair reported that the SW Initiative Foundation Youth Energy Summit Teams have expanded their geographic area with the Prairie Ecology Bus as the southern site location working with the teams. YES Teams are a youth program through the Ecology Learning Centers and the SW Initiative Foundation that uses the hands on experimental education and energy action projects to address energy opportunities and issues in our communities and our region.
- **County Engineers Wind Work Group:** Bair distributed a best practices wind farm development and local land use and road authorities matrix that is in draft form developed by the county engineers to work with the wind developers as projects come forward. This matrix looks at the different needs of the county for information and permit requirements and will be used to increase the communication between the developer and the county. It is being developed by several of the southern Minnesota County Engineers who have Wind Projects in their counties and it has been found useful by those county engineers with wind in their counties as new projects develop and can be used as a guidance document for counties who will be experiencing wind generation.

OTHER BUSINESS:

Randy Fordice reported on the CAPX2020 Project. The Environmental Impact Statement will be available October 20th. Meetings on are scheduled for November 9th - 17th and the public hearings are anticipated to be scheduled from November 30th - December 14th.

Yvonne Simon, with the Center for Rural Policy & Development, introduced herself and requested time on the November agenda to report on the Centers activities.

Fox addressed the Board on who is receiving agendas to the meeting. There are some county staff who do not currently receive agendas and would like to come to the meetings. Energy Board Members are to identify people/staff within their county that Bair should be sending agendas/meeting notices to.

NEW BUSINESS:

E3-2009 and Smart Grid Conferences: Bair requested the RMEB to consider covering part of her time at the two conferences on November 17th and 18th. Conference meeting time is about 12 hours.

M/S/P Warmka, Vickerman to approve up to \$500 covering Bair's time to attend those two conferences.

Next Meeting: Chairman Fox announced the next meeting date is November 23rd; AMC has December 7th from 1:00 - 2:30 listed on the AMC agenda to meet with the Metro Counties Energy Task Force, this is tentative and will be dependent upon an agenda. 2010 dates will be the 4th Monday of every odd month as follows: January 25th, March 22nd, May 24th, July 26th, September 27, and November 22nd.

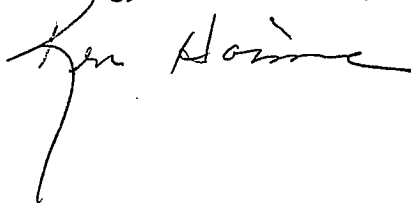
Adjourn: There was no further business and Chairman Fox adjourned the meeting at 11:45 a.m.

Minutes Prepared By Annette Bair, Staff.

Minutes Reviewed By:

Minutes Approved By:

Energy Board Secretary



Energy Board Chairperson

