

**MINUTES**  
**RURAL MN ENERGY BOARD MEETING**  
**MONDAY February 10, 2014**  
**CRD, Slayton, MN**

**MEMBERS PRESENT:**

Blue Earth County .....	Will Purvis	Mower County .....	Tim Gabrielson
Brown County .....	Dennis Potter	Murray County .....	Jim Jens
Cottonwood County...	John Oeltjenbruns	Nobles County .....	Gene Metz
Faribault County .....	Tom Warmka	Pipestone County .....	William Johnson
Freeborn County .....	Glen Mathiason	Redwood County .....	John Schueller
Jackson County.....	Dave Henkels	Renville County .....	Bob Fox
Lincoln County .....	Larry Hansen	Rock County.....	Ken Hoime
Lyon County .....	Steve Ritter	Sibley County.....	Jim Nytes
Martin County .....	absent	Watonwan County ...	absent

**ALSO PRESENT:** Tena Rytel (Geronimo) and Annette Bair (SRDC).

**CALL TO ORDER:** Chairman Warmka called the meeting to order at 1:00 p.m.

**PLEDGE OF ALLEGIANCE:** Chair Warmka asked everyone to stand for the Pledge of Allegiance.

**ANNOUNCEMENTS:** Chairman Warmka extended the RMEB condolences to Dennis Potter and Glen Mathiason for their loss of their loved ones.

**INTRODUCTIONS:** Chairman Warmka asked everyone present to introduce themselves.

**CHANGES TO THE AGENDA:** Addition of EPA letter on renewable fuels mandate, Lyon County Landfill methane gas, Minnesota Rural County Caucus.

**M/S/P** Ritter, Fox to approve the additions to the agenda.

**MINUTES:**

**M/S/P** Henkels, Johnson to approve the Minutes of November 25, 2013 as written.

**FINANCIAL REPORT:** Treasurer Hansen presented the financial report and bills for payment to the RMEB. Included in the financial report was page 40 of the SRDC audit which covered the RMEB.

**M/S/P** Hansen, Fox to accept the financial report and approve payment of the following bills: SRDC November \$370, SRDC December \$1178.52, January \$770.

**ELECTION OF OFFICERS:** Chairman Warmka asked for a report from the Nominating Committee. Commissioner Oeltjebruns reported the Nominating Committee had the following slate of officers. Chairman - Will Purvis, Vice-Chairman - Glen Mathiason, Treasurer - David Henkels, and Secretary - Ken Hoime.

**Chairman:** Warmka asked for further nominations for Chairman.

**M/S/P** Schueller, Ritter to cease nominations and to cast a unanimous ballot for Will Purvis as Chairman.

**Vice-chairman:** Warmka asked for nominations for Vice-Chairman.

**M/S/P** Ritter, Fox to cease nominations and to cast a unanimous ballot for Glen Mathiason as Vice-chair.

**Treasurer:** Warmka asked for additional nominations for Treasurer.

**M/S/P** Fox, Schueller to cease nominations and to cast a unanimous ballot for David Henkels as Treasurer.

**Secretary:** Warmka asked for additional nominations for Secretary.

**M/S/P** Potter, Fox to cease nominations and cast a unanimous ballot for Ken Hoime to serve as Secretary.

Following the election Commissioner Warmka thanked Larry Hansen for his service as Treasurer to the RMEB and turned the meeting over to incoming Chair Will Purvis. Purvis then presented Warmka and Hansen with Certificates of Appreciation for serving on the Executive Committee.

### **SUBCOMMITTEE REPORTS**

**PACE (Property Assessed Clean Energy):** Bair provided an update on the status of the PACE project. USDA has approved the loan to Lyon Lincoln electric, paperwork is being completed. Herding plans to hold workshops with Economic Development people in the 18 county region and open it up, through the CERT network to others who are interested in attending. By opening it up to the CERT networks, it will help fulfil the workshops required by CERTs. Staff was instructed to contact the County Board contacts with cc to the RMEB members to identify names and emails for county and city economic development people, and others who should be contacted for a PACE workshop with Betsy Herding. RMEB provided input on locations workshops: Tyler, Worthington, Redwood Falls, St James and Albert Lea area. *(After the meeting RMEB members also suggested that the electric and gas utilities also be invited).*

2014 Committee: Gerald Magnus, Gene Metz, Will Purvis, Scott Sanders, Bob Fox.

**Legislative:** On January 27, 2014; under direction of the Executive Committee (all RMEB were cc-ed the letter), Bair submitted comment to the EPA opposing the reduction in the renewable fuels standard.

**M/S/P** Fox, Warmka to ratify the letter sent to EPA opposing the reduction in the renewable fuel standard.

The RMEB then discussed issues to be brought forward to the legislature. First issue was the production tax. They would like to continue with the effort to separate the production tax from levy limits.

Solar Products and Production Tax: Bair provided information from Magnus that indicates one large wind tower generating 3. MW produces \$5,700 per year in production tax; the Slayton Solar Farm is on 21 acres of land and is valued at about \$6,000 per acre. The county receives \$2,286 per year tax on land at the commercial rate and the solar farm produces 2MW. Magnus further indicated that anything done with a production tax for solar should not say tax, it should say fee. Commissioner Jens answered additional questions regarding taxing and the Murray County Solar Farm. Tena Rytel from Geronimo Energy indicated that there is going to be legislation introduced in 2014 to look at a solar production tax. Commissioners discussed several issues that maybe related to solar and the production tax including a solar production tax in lieu of property tax. The discussion of the wind originally was on property tax however due to depreciation it reduced the tax coming in, and resulted in the change to a production tax. Rytel indicated the Senate Energy Committee Chair is putting together the legislation. An additional issue for solar would be of spot zoning if a solar farm were to be taxed at the commercial rate. Land use plans would need to be updated to reflect where solar farms. Jens also added that the solar project is taxed on the land and solar is thought of as a mobile energy source; and they can stack solar panels so that it is more than one level on the land.

Commissioner Oeltjenbruns distributed information on the Rural Minnesota County Caucus. Cottonwood County is a member of the caucus. He distributed information on what counties have received in benefits of the Caucus. They lobby for 28 member counties. Cottonwood County joined at \$2,200 - \$2,400 per year. Discussion involved interaction with the AMC Ag Committee Task Force on whether the caucus may be duplication on what AMC is doing. Commissioner Oeltjenbruns requested that someone for the Ag Task Force come to the meeting the night before the legislature begins session. Also under consideration was, could the RMEB be a member of the MRCC and share the fees to do the same thing? What is the legislators relationship with MRCC?

Lobbyist: Bair reported that Trusty had contacted Kevin Walli who will be willing to monitor energy issues and communicate with the RMEB. Bair was instructed to send an e-mail to Walli, Commissioner Metz and Trusty regarding what the Energy Board know as issues. The Board then discussed authorization to move forward on an issue on a timely manner.

**M/S/P** Warmka, Metz to authorize the Executive Committee to be able to authorize moving forward on an issue with the lobbyist.

Discussion: Commissioner Gene Metz was asked to be Chairman of the Legislative Committee. He, SRDC staff and Chairman Purvis will be the key in the communications for the legislative activity and authorizing services with Walli.

*2014 committee – Larry Hansen, Gerald Magnus, Gene Metz (chair), Tom Warmka, Steve Flohrs.*

Tour Committee: the tour committee will work on setting up a tour on or near June 2. Potential tours: LeSueur Bio gas plant (Hometown Bio Energy Project), Co Landfill near Hutchinson, Brandon SD wind tower builders, Poet at Emmetsburg.

*2014 Committee - Ritter, Purvis*

**SPEAKER:** Tena Rytel , Solar Project Developer from Geronimo Energy updated the Energy Board on the status of the Aurora Project. This project had three projects within the RMEB area: Pipestone County, Faribault County, and Blue Earth County. They anticipate a March 25<sup>th</sup> oral hearing and the Public Utilities Commission to address the project on March 27, 2014 on Environmental Review. If all goes well, they anticipate construction of the Aurora Project in 2015 and 2016. There are other solar projects moving forward in Minnesota, refer to the MISO interconnection website. Energy Board members thanked Rytel for providing the update on Solar legislation and on the Aurora Project.

**MEMBER UPDATES ON ENERGY PROJECTS & ISSUES:**

- Blue Earth - currently measuring methane from landfill (Ponderosa Landfill).
- Rock – The new Geronimo facility at Hardwick is completed. There was a recent meeting with about 70 landowners in Rock and Pipestone counties for an additional 60 towers in 2016. Ethanol plant in Luverne is running, not sure if it is producing ethanol or Isobutanol.
- Lyon – Bair was asked to connect with the Lyon Co environmental Office regarding methane at the landfill. Discussion / presentation at the next RMEB meeting
- Cottonwood – Geronimo is moving forward with 2015 for the main construction year of 120 towers. Equipment has already been paid for to claim the production credits.
- Murray – there is a potential solar project in the county
- Mower –construction of 100 towers are underway, will connect to the Dexter Substation
- Jackson – Odell windfarm 9.1 miles of 115 kv transmission line moving forward. The coal fired ethanol plant in Heron Lake changed to natural gas and the service was extended to Heron Lake and Okabena as well as nearby farms.
- Freeborn – The ethanol plant is open; no forward movement in the wind towers construction.
- Sibley – Construction begun on the wind tower project, it is scaled down to towers; there is a potential solar project on 10 acres.
- Faribault – The ethanol plant is operating under new owners, they are not discharging water; they using an evaporators. They have also dug shallower wells that have better quality water.
- Pipestone – Stoneray in Pipestone and Murray County appears to have no objections to the project. Anticipate a 2015 construction of about 60 towers. The Suzlon building is available.
- Renville – EDA has heard from some solar people. USDA Rural Development has funds that can be used across jurisdictions.
- Lincoln Co – potential solar project at a hospital.

**CERT UPDATE:** Bair provided a report on CERTified Campaigns, projects moving forward, and CERT Seed grants.

Campaigns: New campaigns this year will be LED lighting for gas station canopies, and LED lighting for Turkey Barns, which would likely also be applicable to other animal facilities.

Projects moving forward: PACE, reported on earlier; Tracy is still interested in solar heating to supplement the current heating source, the city is currently exploring a GESP agreement to bring an ESCO in to see if energy saving can be realized; connecting with youth – Hage is working with the Westbrook YES Team and the City of Westbrook to initiate B-3. Energy on the Farm – SW has not done a lot with, however, with the CERTified campaign, more activity will be done there.

Seed Grants: There were four seed grants. The Church window project, is looking at more expensive energy efficient windows and staff is trying to make contact with the new church contact. Lynd, Arco, and Russell LED Street lighting project is moving forward and plan to purchase the lights in the next month. Slayton LED Street lighting – running into rate agreement types of issues with Xcel Energy. Lamberton School Auditorium, staff has tried to contact, but have not heard from them.

SW CERT Steering Committee member Mark Lindquist has resigned from the Committee. Warmka signed a thank you Certificate.

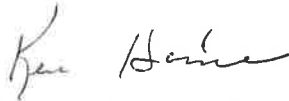
**MEETING DATES:** The following dates were identified for 2014: March 24<sup>th</sup>, tour around June 2<sup>nd</sup> actual date to be determined, July 28<sup>th</sup>, September 22<sup>nd</sup> and November 24<sup>th</sup>.

**NEW BUSINESS:** none

**MEETING DATES:** March 24, tour date on or around June 2, July 28, September 22, November 24.

**ADJOURN:** The meeting was adjourned at 3:00 p.m.

Minutes Prepared By Annette Bair, Staff.



Minutes Reviewed By:  
Energy Board Secretary



Minutes Approved By:  
Energy Board Chairperson