

TUESDAY, SEPTEMBER 24, 2013

**APPROVED MINUTES OF THE
COMMITTEE OF THE WHOLE MEETING HELD**

**STATE OF MINNESOTA)
DODGE COUNTY)**

**COUNTY ADMINISTRATION OFFICE
MANTORVILLE, MN**

2013-18 C.O.W.

The Dodge County Commissioners met in Committee of the Whole September 24, 2013, in the Commissioner's Room at the Dodge County Courthouse Annex, Mantorville, MN, at 9:00 a.m. CDT. Chair David Erickson opened the meeting at 9:00 a.m. CDT. Meeting Convened

The Chair acknowledged those present:

Those Present

Members present: John Allen District #1
Rodney Peterson District #3
David Erickson District #4
Steven Gray District #5

Members absent: None

Also present: Jim Elmquist County Administrator
Becky Lubahn Deputy Clerk
Melissa DeVetter Zoning Administrator
Mary Greening Assistant Zoning
Administrator/Administrative
Assistant
Guy Kohlnhofer County Engineer

Renewable Energy Systems (RES) Permitting Specialist Sean Flannery and RES Project Manager Justin Markell provided the Board with a Pleasant Valley Wind Project update.

Pleasant Valley
Wind Project
Update

Pleasant Valley Wind, LLC is proposing the development of the Pleasant Valley Wind Energy Project in Mower and Dodge Counties, Minnesota. Pleasant Valley Wind, LLC, a wholly-owned subsidiary of RES America Developments Inc., offered the following information based on their recent discussions of the proposed Project.

A. Project Status

RES recently announced that they will construct the 200 megawatt (MW) Pleasant Valley Wind Project for eventual ownership by Xcel Energy. Xcel Energy is a nationwide leader in renewable energy and the American Wind Energy Association has ranked Xcel Energy the nation's No. 1 wind power provider. The agreement reached between RES and Xcel Energy resulted from a large competitive process where more than 60 wind projects were proposed to Xcel Energy. Pleasant Valley was one of just four projects that Xcel Energy selected to purchase, which illustrates that the Project is a top tier wind energy project.

RES is still actively developing the Project and has been working closely with landowners and other shareholders since announcing the agreement with Xcel Energy. RES will continue development activities and pre-construction activities throughout 2013 and into 2014, with on-site construction expected late Spring 2014. RES intends to complete the construction of the Project by December 2015. Once Pleasant Valley is complete, Xcel Energy will own and operate the Project.

B. Recent Project Modifications

The Project previously completed the Large Wind Energy Conversion System (LWECS) Site Permit process with the Minnesota Public Utilities Commission in 2010, and the Project received an LWECS Site Permit on October 27, 2010. The Public Utilities Commission subsequently approved an amendment to the LWECS Site Permit which extended until October 27, 2014 the time allowable to initiate construction of the Project. The amended LWECS allows up to a 301 MW wind energy project and associated facilities to be sited and constructed in Mower County and Dodge County, Minnesota. In addition to the time extension, the amended LWECS Site Permit included a number of minor clarifications to the permit requirements.

The Project was originally permitted to include up to 301 MW of nameplate capacity (up to 188 turbines) and to encompass approximately 72,800 acres covering portions of five townships in Mower County (Sergeant, Waltham, Red Rock, Dexter, Pleasant Valley) and portions of two townships in Dodge County (Hayfield and Vernon). As a result of the development process that has occurred since the LWECS process was completed in 2010, a number of constraints have - through several iterations of design - led to a new proposed turbine type and turbine layout. The Project will now consist of 100 Vestas/2.0 MW/100 meter rotor turbines (with 95 meter [m] towers) with a nameplate project capacity of 200 MW across a Project area of approximately 40,000 acres.

The constraints that have changed the Project design and layout include input from FAA regarding aviation constraints, additional wind data to optimize the layout, and a reduction in overall project size from 301 MW to 200 MW, all of which resulted in a more compact Project area. This 200 MW Project is able to maximize the area's wind resource, with a significantly increased net capacity factor than what was envisioned in 2010. The preliminary map, which was included in the Board packet, illustrates the smaller Project area, wholly within the permitted Project area. These turbine locations and access road details are still being reviewed with landowners, but the provided map shows an overview of where twelve proposed turbines could be located in Dodge County.

During the 2010 LWECS review and permitting process, RES did not propose turbine sites in Dodge County. Given the development constraints, turbine details, and design changes that have occurred since 2010, RES is now proposing to include up to twelve turbine locations in Dodge County. Given this updated information about the Project, RES is excited that Project landowners in Dodge County will now be able to directly benefit from participation in the Project. Dodge County, Hayfield Township, and Vernon Township will also benefit, via the production tax revenue that would be generated from the twelve wind turbines in Dodge County. RES estimates the aggregate production tax revenue of twelve turbines at \$114,000 per year for the life of the Project.

That tax revenue would be shared 80% to Dodge County, and 20% to the townships hosting the turbines.

RES welcomed any comments or input the Board or others within Dodge County have about the Project as it is now envisioned.

C. Projected Timeline and Next Steps

As stated previously, a number of development and pre-construction activities will continue throughout 2013 and into 2014. RES plans to commence on-site construction activities in late Spring 2014 and to complete the construction of the Project by December 2015.

The permitting activities over the next several months will include a request for an amendment to the LWECS Site Permit from the Public Utilities Commission that will reflect the change of turbine type and turbine specifications outlined. Additional information about the Project layout and design, turbine specifications, sound and shadow flicker modeling results and other technical plans for the Project will be provided to the Public Utilities Commission to support the LWECS Site Permit Amendment, as well as satisfy general permit compliance obligations. This same information will also be shared with Dodge County to facilitate county review and comment on the Project. The LWECS amendment process with the Public Utilities Commission will include a formal opportunity for public comment and input from local governments.

RES has also begun discussions with the Highway Engineers for both Dodge County and Mower County to prepare a Joint Road Use Agreement for the Project. This agreement will address the use of public roads by RES Construction and will likely include both the county and the six participating township road authorities. RES indicated that they look forward to working closely with Dodge County, as well as Vernon and Hayfield Townships in support of that effort.

Zoning Administrator Melissa DeVetter, Assistant Zoning Administrator/Administrative Assistant Mary Greening and County Engineer Guy Kohlnhofer were available to comment on the proposal.

Commissioner Erickson wanted to know if they have had meetings with the landowners.

Mr. Markell reported that they met with 200 landowners on September 5, 2013 in Austin, MN and that they will continue to meet one-on-one with the landowners who will be hosting the wind turbines.

Commissioner Gray asked that they describe the turbines in more detail.

Mr. Markell informed the Board that Vestas turbines are what will be used in this project. Mr. Markell briefly discussed the dimensions of the turbines and noted that they are large commercial grade turbines.

Commissioner Erickson reported that the proposed turbines will look very similar to the Garwin McNeilus turbines and that they will be a little taller and the blades will be a little bigger.

Standards were discussed.

Mr. Markell stated that the turbines will be no closer than 1,500 feet to the closest resident and noted that RES's standards are higher than the states standards.

Decommissioning was discussed.

Mr. Markell briefly discussed decommissioning and noted that language will be written into the contract to address decommissioning.

Commissioner Peterson wanted to know if this would be a turnkey operation.

Mr. Markell stated that it would be a turnkey operation.

Commissioner Peterson wanted to know if all of the lines will be underground.

Mr. Markell commented that most of the lines will be underground.

Right-of-Way easements were discussed.

County Engineer Guy Kohlnhofer reported that the Highway Department has been working on Right-of-Way agreements with the townships involved.

Commissioner Gray wanted to know if there was a transportation plan.

RES permitting Specialist Sean Flannery informed the Board that the transportation plan will come from Vestas. Mr. Flannery indicated that they will likely use a southern route to haul material in for the project.

The Board thanked Mr. Markell and Mr. Flannery for the update.

The Chair adjourned the meeting at 9:28 a.m. CDT.

Meeting Adjourned

ATTEST:

DAVID ERICKSON
CHAIR, COUNTY BOARD

BECKY LUBAHN
DEPUTY CLERK

DATED: