



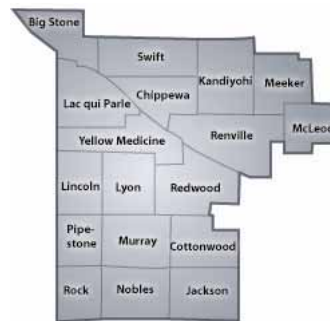
Supporting Community-Based Energy MN Policies & Incentives

Cheryl Glaeser
Southwest Initiative Foundation
Southwest REDI Regional Organizer



Southwest Initiative Foundation (SWIF)

- ▲ Our mission is to be a catalyst, facilitating opportunities for economic and social growth by developing and challenging leaders to build on the region's assets





Why Community Wind?

- ⤴ Job creation
- ⤴ Enhancement of local tax base
- ⤴ Promotion of local ownership
- ⤴ New source of revenue for farmers and rural landowners
- ⤴ Higher multiplier effects and greater local returns
- ⤴ Business opportunities
- ⤴ Community support



	Outside	Local
Local Income	\$1.3 million	\$4 million
Job Creation	18	41

(Based on Outside 40 MW vs. Local 2-20 MW projects)

Sources:

www.windustry.org and www.ef.org/docs/CommWind_Exec_Summ.pdf



What is C-BED?

Community-Based Energy Development

- ⤴ Locally owned renewable energy projects where one or more members of the local community have a significant, direct financial stake in the project

Minnesota C-BED Legislation

- ⤴ 216B.1612
- ⤴ <https://www.revisor.leg.state.mn.us/statutes/?id=216B.1612>

C-BED (Organization)

- ⤴ Organization that promotes renewable energy production facilities that are owned by ordinary members of local communities
- ⤴ <http://c-bed.org>





Minnesota Incentives

- ▲ **RES – Renewable Energy Standard**
 - 25% of electricity from renewable sources by 2025
 - Xcel – 30% by 2025

- ▲ **C-Bed Tariff**
 - Requires electric utilities to consider c-bed projects
 - Requires utilities to develop and offer a "front-ended loaded rate"
 - Key aspect is higher payments in the first 10 years of a power purchase agreement
 - www.cleanenergyresourceteams.org/files/CBED_factsheet.pdf
 - www.c-bed.org

- ▲ **Xcel Renewable Development Fund**
 - Grants and renewable production incentive (REPI) payments
 - <http://www.xcelenergy.com/rdf/>



Rural Energy Development Initiative

- ▲ Administered by Southwest Initiative Foundation
- ▲ Sponsored by the State of Minnesota and the Center for Rural Policy and Development
- ▲ Established under MN Omnibus Environment and Natural Resources Bill, 2007, SF 2096



CENTER for RURAL POLICY
and DEVELOPMENT

Seeking Solutions for Greater Minnesota's Future



Rural Energy Development Initiative (REDI)

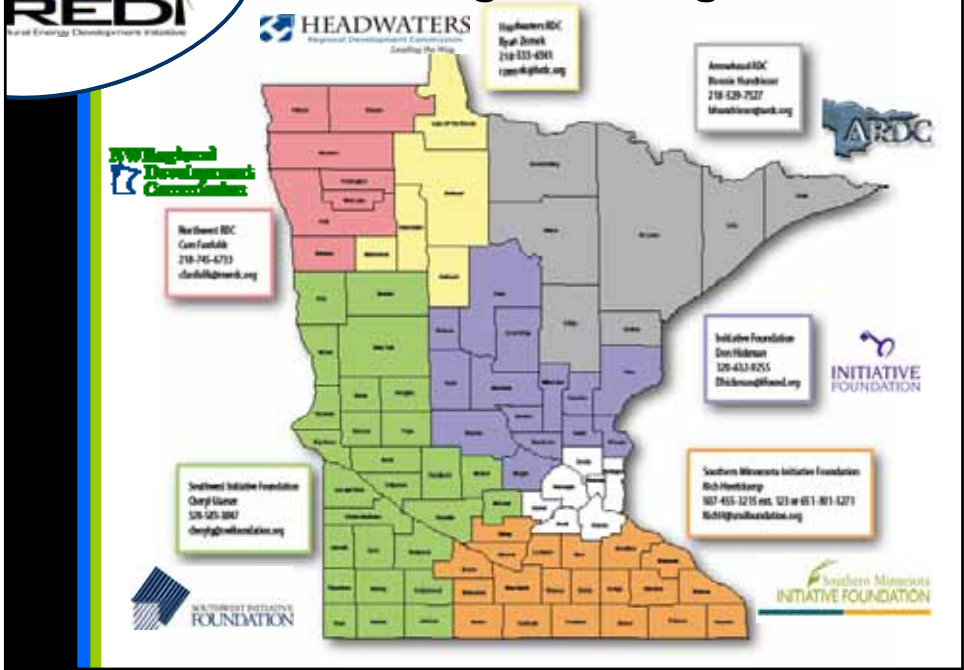
Goal of REDI is to maximize rural economic development and stabilize rural economies by building renewable energy capacity, expertise, and leadership throughout the state of Minnesota.

Three categories of support:

- ▲ Outreach and public education
- ▲ Project development assistance
- ▲ Low interest rate loans



REDI Regional Organizers





REDI Regional Organizers

Central

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REDI Loan Financing

- ▲ Low interest loans to help pay for project feasibility studies, business plans, and preparation of transmission interconnection applications (not the application fee itself)
- ▲ Project feasibility studies include items such as:
 - Site-specific layout
 - Investigation of permitting requirements
 - Performance and cost analysis
 - Discussions for PPA and turbine supply
 - Securing onsite wind resource assessments
 - Summary of feasibility findings and recommendations



REDI Loan Partners



**SOUTHWEST INITIATIVE
FOUNDATION**



**INITIATIVE
FOUNDATION**



**Northwest
Minnesota
Foundation**
Developing Community Assets



**WEST
CENTRAL
INITIATIVE**



**Southern Minnesota
INITIATIVE FOUNDATION**



Potential Wind Legislation

- ▲ **Federal Legislation**
 - PTC Restructure
 - Federal Renewable Portfolio Standard
 - Green Power Super Highways

- ▲ **State Legislation**
 - Feed-in Tariff (REP)
 - www.newrules.org/de/feed-in-tariffs.pdf
 - Standardized C-BED PPA

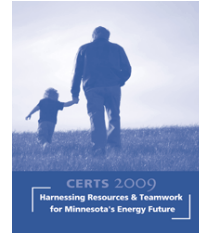




Education/Outreach

▲ Landowner Forums

- Madison, Jan. 21, 5:30 – 8:30 pm
- Redwood Falls. Jan. 22 – 9 to Noon
- Todd or Morrison Counties
- Wabasha, Goodhue, Rice Counties



▲ Renewable Energy Forums

- March 11 – Olivia – Max's Grill



February 10-11,
St. Cloud

▲ CERTs Conference

C-BED Pre-Conference Workshop, Feb. 10, 1 to 5 pm

www.cleanenergyresourceteams.org/events/conference

Full Conference – information on a variety of topics, Feb.11



Incentive Resources

▲ Further information on variety of incentives/funding

- www.dsireusa.org - Click on Minnesota
- www.cleanenergyresourceteams.org/community-projects/current-funding-opportunities



Other Web-Based Resources

- ▲ Southwest Initiative Foundation
 - www.swifoundation.org/redi.html
- ▲ Windustry
 - www.windustry.org
- ▲ Clean Energy Resource Teams
 - www.cleanenergyresourceteams.org
- ▲ North American Water Office
 - www.nawo.org
- ▲ American Wind Energy Association
 - www.awea.org



Thank You!

Cheryl Glaeser

Southwest Initiative Foundation

Rural Energy Development Initiative

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1-866-966-6749 (NRGY)



Further Information – Minnesota C-BED Tariff



How is C-BED Defined by Current Legislation?

- ▲ Legislation established in 2005 to encourage the development of locally-owned energy projects
- ▲ Established C-BED tariff as a framework for community-based projects to negotiate effectively with utilities
 - Key aspect is higher payments in the first 10 years of a power purchase agreement
- ▲ Requires electric utilities to consider C-BED projects when seeking to add generation to its supply mix to meet Minnesota's aggressive renewable energy requirements



Other C-BED Tariff Rules

- ▲ No single qualifying owner owns more than 15% of a C-BED wind energy project
 - Exceptions: 1-2 turbines; qualifying owner is a “public entity” that is not a municipal utility
- ▲ Demonstrates that at least 51% of the gross revenues from a power purchase agreement over the life of the project flow to qualifying owners and other local entities
- ▲ Has a resolution of support adopted by the county board of each county in which the project is located



Who Qualifies for Tariff?

- ▲ Minnesota resident
- ▲ Limited liability company organized under chapter 322B and made up of members who are Minnesota residents
- ▲ Minnesota nonprofit organization under chapter 317A
- ▲ Minnesota cooperative association organized under chapter 308A or 308B, including a rural electric cooperative association or a generation and transmission cooperative on behalf of and at the request of a member distribution utility
- ▲ Minnesota political subdivision or local government, including but not limited to a:
 - municipal electric utility
 - municipal power agency on behalf of and at the request of a member distribution utility
 - county, statutory or home rule charter city, town, school district, public or private higher education institution
 - any other local or regional governmental organization such as a board, commission, or association
- ▲ A tribal council