

## Larry Hartman

---

**From:** 5beatty@newulmtel.net  
**Sent:** Tuesday, July 28, 2009 1:47 PM  
**To:** Larry.Hartman@state.mn.us  
**Subject:** [Fwd: New Ulm PUC Wind Project]

----- Original Message -----

Subject: New Ulm PUC Wind Project  
From: 5beatty@newulmtel.net  
Date: Tue, July 28, 2009 1:44 pm  
To: larry.hartman@state.mn.us

---

Larry Hartman, Project Manager  
Minnesota Office of Energy Security  
85 7th Place East, Suite 500  
St. Paul, MN 55101

Mr Hartman,

I am writing concerning Project Docket # E282/WS-09-178 (New Ulm PUC Wind Project).

After the acceptance of the application by New Ulm PUC, I have continued to have many contacts and comments from residents of Lafayette Township. Concerns that I would like to speak on are as follows:

1) Acres needed for the project. It's my understanding that 547 acres are needed, of which only 237 acres have been attained by lease or easement. After listening to residents in the project area, the remaining 310 acres WILL NOT be attainable short of eminent domain.

Please do not let that occur!

2) Access to turbines. After reading the lease agreements, I have questions/ concerns with that of Mr Brad Franta. Exhibit A, Section 3, (d) No access to the Wind Facilities shall be gain by PUC from the North side of the Premises. This implies that the logical access would come from the east off County Road # 7. If that's the case, I believe a drainage ditch will be affected. Any permanent ditch crossing would have to be handled by the Nicollet County Ditch Authority (unless your office would supersede us). Issues of hydrology and improvent versus repair would need to be addressed.

3) Set backs from residences have be a concern. At present, Nicollet County is working on a new WECS Ordinance. It is out of committee, past Planning & Zoning after a public hearing on July 20th. It is presently scheduled for public hearing on August 11th, 1:00 PM before the Nicollet County Board. ( a copy of this draft ordinance can be seen on the Nicollet County website, under Environmental Services).

Although there are and have been other concerns, I feel these three points of interest need consideration.

I know you will continue to keep the county informed. We are interested in the public hearing date which will be set on this project.

Dr Bruce Beatty  
Nicollet County Commissioner  
5th District

July 21<sup>st</sup>, 2009

Larry Hartman, Project Manager,

We feel it is wrong for the city of New Ulm to build its wind generators in our county. It is not going to help out the county or township. Or the farmers, whose land they want to take, which we pay taxes on. Their project will not pay taxes to our county. They have a possibility of connecting to a project that is in their own county near the town of Morgan. We have heard that it would be cheaper for them to buy energy, from another source, then what they are proposing. They should look into those possibilities. They should look where it will not take away crop land and/or where people want them. It is not a profit to the peoples' land they are taking away, because they do not want to pay much for it. They want to go green then they should find the most efficient way and less costly to the taxpayers and government. There is too much spending on projects that do not need to be. Especially, if there is other means that could help to cut costs!

They are very sneaky about getting the permission for sites and wind rights. They have told neighbors from the start not to say a word to neighbors' in our area about their project. The committee from New Ulm never seemed willing to talk openly or work with people in our area. New Ulm choose this site because they thought they could use Excels Energy's' lines, but now are not able to connect to those lines.

We are concerned about our lively hood as farmers. If we loose land, we cannot go and buy it next door. There is none available. It would cost us more money to buy new land and/ or rent; plus extra fuel cost to get to it, wear and tear on our equipment. More travel time to and from given area. So it means extra cost to us farmers all around it is not a win, win situation.

New Ulm doesn't seem to care much about what they want to pay us for the land, hinting at eminent domain. Or that it can put more of a burden on our lives. We also have a gas pipeline close to the area. What about the stray voltage? What if something happens to our family because of an explosion from the pipeline? Who is responsible and will take care of us as individuals?

What about the facts: that people can get sick from Stray voltage or the shutter effect from the blades turning? We have children that already suffer from epilepsy. Who is there to help defray the cost of medical bills or our insurance? It seems it is put upon us to help them out to do their project, yet they are not willing to help us out as farmers, we are contributing to there town, there school district or their lively hood.

When we were at the hearing in St. Peter, for them to get the permit they were not even willing to work with our county and let them know what was happing with the project. It seemed to me, they thought they were above us, and we have no rights.

**A few paragraphs from an Article: "Eminent Domain and the Eight Commandment"**

**By Professor Ken Schoolland    September 17<sup>th</sup>, 2008**

**Unjust Compensation**

The third step for effective exercise of eminent domain is to claim that the true owners of property are being “justly compensated.” Normally, just compensation is decided by voluntarism. If people voluntarily agree to an exchange, then it is just.

So how can compensation be “just” if it is compelled? It can't be. Nevertheless, this is rationalized by asking disinterested parties to give an assessment of what they think the value of property should be.

I've tried this many times with my economics students. I show them my ring and ask them what they would be willing to pay me for it. Their assessment usually averages around \$10. Then I tell them that this ring is the only memento I have from years with my grandfather, a man I grew up with and revered. We traveled a dozen times across the country together, discussing history, philosophy, and politics.

I then ask my students to state the price I would accept for this rare keepsake. They say it is priceless. True enough. And if I value a ring so much, how much more might I value a home?

“The notion of “just compensation” is further compromised by the fact that politicians do not pay for condemned property with their own money. They simply take other people's money, through taxes, to pay for the condemned property.

Perhaps there would be more caution in taking people's homes if politicians were required to give up their own homes whenever exercising eminent domain. There are other problems with the notion of compulsory “just compensation.” When politicians declare they desire a piece of property, this instantly reduces the property's market value. Who would buy from, or lend to, a private owner whose property has been targeted by politicians for eminent domain?

### **Public Bads**

The fourth step for effective eminent domain is to rationalize the actions of politicians as serving the “public good.” It is important to believe that politicians have vision and competence while mere mortals are blind and stupid. This is a very dangerous myth because it enables influential lobbyists to capture a mantle of legitimacy for using a government bulldozer on their behalf. In addition to the physical bulldozer, there is a media bulldozer of public relations campaigns and official propaganda for which taxpayers are often forced pay. Public officials frequently lash out at citizens who criticize their royal actions, or arrange for sycophants to do so. If public officials were truly public servants, then such a lashing would amount to insubordination. Instead, these officials see themselves as public masters who use their position and power to intimidate dissent.

In every case of the so-called “public good” there are both winners and losers. The winners are usually influential and crafty connivers who spend their lives in the halls of legislation.

*Professor Ken Schoolland teaches Economics and Political Science at Hawaii Pacific University and is the author of Jonathan Gullible: A Free-Market Odyssey.*

*Sincerely, Concerned Land Owners Bryan and Margaret Forst*

**From:** David Franta [dbfranta@gmail.com]  
**Sent:** Wednesday, July 22, 2009 4:01 PM  
**To:** Larry.Hartman@state.mn.us  
**Subject:** New Ulm PUC Site Permit Supplements

Project Manager Larry Hartman:

I am writing about the New Ulm Public Utilities Commission Site Permit Application for the Nicollet County wind project. The application was accepted, however there was a disposition made that required a few additional actions. Among the additional actions are:

1. A supplement submitted by the PUC that contains a clear project map and legend
2. A supplement submitted by the PUC explaining its decision to do the proposed project rather than to purchase renewable-generated power
3. An OES report on the issue of whether the applicant has an alternative source of renewable energy

Have these things been taken care of by New Ulm and submitted to the State? If they have been, are they public information? Last, if they are public information, what do I need to do to get a copy of them? Please let me know.

Thank you very much for your time and attention,

David Franta

[dbfranta@gmail.com](mailto:dbfranta@gmail.com)

July 25, 2009  
Docket Number: E282/WS-09-178



Dear Mr. Hartmann:

In the last 24 to 30 months, we have heard brief news reports of the New Ulm PUC attempting to build a small wind farm of five wind turbines in Lafayette Township of Nicollet County. NUPUC has been claiming that this is their best site because of the Xcel transmission line in close proximity to the project. However, it is the lowest wind area that we know of. In our search of NUPUC meeting minutes, wind turbine etc. we did not find one incidence that the NUPUC looked at or considered another location. From the very start in 2007, NUPUC stated that the Franta site was the site that they needed for the project and started to try to convince them and five other area landowners to sell them their property. However, after several months, and by the fall of 2007 they dropped the original five landowners and started to pursue two other landowners who don't live in the area, making them easier to acquire (Klossner and Hacker). There was never any informational meetings or publicity at this time. As NUPUC tried to visit landowners on a one to one basis and asked them to sign confidentiality statements and not tell their neighbors. Why would New Ulm want them to sign a confidentiality statement? In the fall of 2007 the Frantas very politely told the NUPUC that they were not interested in having wind turbines on their property. Referring to the permit application itself, May 5, 2009, which is inaccurate, page 59, the entries go from November 2<sup>nd</sup> 2007 to September 18, 2008, the point is that between these dates is when the NUPUC Used all their tools and tactics of manipulation and deception to acquire the leases from the three landowners. NUPUC's only intention all the while was to acquire this property. This was stated by several friends of ours who work for the NUPUC and said the NUPUC wants the property to grow grass for biomass and to spread raw sewage in the summer. Also it was NUPUC's cheapest way to acquire the property as opposed to leasing it. There is also a natural gas pipeline within one mile of the proposed transformer site, leaving that open for a gas fired turbine. The reason for a 30 megawatt substation. It is almost inevitable that this plan is under the table. That is why they acted the way they did, sending the letter of eminent domain on May 15, 2008. All of the information to back this up was given to you Larry, and the Commission members at the June 11, 2009 meeting in St. Paul. Threats of eminent domain were used openly at the negotiation meetings, trying to get the lease agreements adopted. I can say this because I attended several meetings myself because my wife and I have a mortgage on some of this property. These meetings were handled in a very shrewd and deceptive manner on the part of the New Ulm PUC at a cost of \$28,000 which was done intentionally by the PUC to bring the cost higher and frustrate the landowners. Twice, during the negotiations of lease agreements the lease came back from the NUPUC's attorney with a clause of first right of refusal on the part of the NUPUC. That is absolutely uncalled for because one of the turbine sites is on a century farm started by the ancestors of the Frantas. I have eight grandsons and surely one of them will continue to farm.

In regards to the location of the project, there is absolutely no reason for any Nicollet county taxpayers to be for this project. The NUPUC is exempt from paying taxes because it is a

municipality. We were told that the average wind turbine would generate five to eight thousand dollars annually in tax revenue, all of which would stay in the county if the project is done by a private company. The project will simply cost the Nicollet county taxpayers more money. The many, many loads of cement and many 100 ton loads for turbine parts, the huge cranes and boom trucks will surely affect Nicollet county roads. Ambulance service, fire and rescue, sheriff patrol, vandalism will increase, and it will be an attraction for sightseers as well as party people who will be around all hours of the night. There will be much more traffic from towns and cities surrounding this site that will travel many miles of Nicollet county roads to see what is going on. All roads surrounding this project, except one, are township roads. We all know township roads are narrower and have narrower shoulders than state aid roads making them much more hazards for the many pieces of large farm equipment that will be traveling these roads along with the site seeing travelers who are unfamiliar with large farm equipment. Also, all of the extra traffic will take more graveling maintenance and up keep. All paid for by the township landowners through taxes. Also in referring to the wind rights easements map there are five building sites just outside of the 900 foot circle and five building sites just outside the 1,500 foot circle. That's 10 building sites within 2,000 feet of the proposed turbines. One of these 10 property owners signed a lease only under the threat of eminent domain and will receive a payment. At this point in time, the other 9 have not received any offer for compensation on this project. Five of the sites are 10 acres or less. Without a doubt some or all of these 10 sites will loose value, lowering tax basis in the township and county. After speaking with a realtor, it is much harder to find someone to live within 2,000 feet of a large industrial turbine without receiving compensation. People who are living close by them are either receiving big compensation payments or bought out by the wind farm developers (Corporate America). I personally have spoken to several people on this matter that live close to turbines on their property and some have been able to move somewhere else, build a new home and retire on their compensation. I will conclude in saying that there are many many reasons, that this project shouldn't be approved, I have only stated a few. Larry, we sincerely ask you to recommend that the Minnesota PUC not approve this project.

Thank you,

Dennis and Dolores Franta, concerned landowners and citizens of Lafayette and West Newton Township.

*Dennis Franta*  
*Dolores Franta*

*"God created persons to be loved and things to be used. Whenever this order is reversed so that things are loved and people are used, tragedy results."*

*Revel Howe*

July 22, 2009

Larry Hartman, Project Manager  
Minnesota Office of Energy Security



New Ulm Public Utilities Commission Large Wind Energy Conversion System Site  
Permit Application, Minnesota Public Utility Commission Docket Number: E282/WS-  
09-178

Dear Mr. Hartman,

What an interesting battle our rural community has been provoked into this past year. The New Ulm PUC solely initiated the start of this fiasco in early 2007. They have amazingly bullied their way to where we are today. Trust and communication are the two main elements in any long term business relationship. The New Ulm PUC has clearly failed at both.

I don't believe there is anyone out in this community that is against wind energy. In fact, I inquired about a small scale generator for my farm site four or five years ago. I learned quickly that it wasn't a cost effective risk at that time.

Although wind energy and where it should be placed is a huge issue in this rural community, the New Ulm PUC has taken this issue way beyond that. This is an illustration of a government entity acting with the threatening tool of eminent domain to accomplish their own hidden agenda. If someone would have told me this could happen to an innocent community of rural businesses I would have never believed them. Our whole neighborhood can attest to these claims for we've all had a front row seat in seeing this unfold.

From our perspective we can clearly see the weak foundation this whole thing has been recklessly built on. The New Ulm PUC has clearly stated from the start that they "need" this project to fulfill the Renewable Energy Standards 25% renewable energy by the year 2025. We have learned that New Ulm is not required to meet these standards. They've also said the reason they chose this location was because of the Fort Ridgley sub-station and existing power lines. We have learned that Xcel Energy will not allow the New Ulm PUC to tap into their Fort Ridgley sub-station. This leaves New Ulm with two choices. One, construct their own power line from the generator site directly into New Ulm or Two, do a regional planning study to determine what upgrades would likely be needed to tap into existing power lines, along with an interconnection agreement. This study could take from three to five years to complete.

The New Ulm PUC has had only one public meeting for area citizens in reference to this project which was on February 16, 2009. This was called a listening session and no questions were addressed at the meeting. It took the New Ulm PUC more than four weeks to complete written responses. A number of the answers to these questions were open ended and incomplete.

The New Ulm PUC has clearly been a moving target throughout this whole journey. They truly say what ever they can get by with and change into whatever they think they need to, just to advance their cause. If the New Ulm PUC continues to weave their way through this process and eventually gets their way in bringing this project to completion, what will stop them and others from doing the same in the future? In this precedent setting model case we will certainly see other municipalities using this case as a basis for doing their own projects at will in the location of their choice.

In your consideration of the many controversial issues that surround this proposed project, It is my sincere hope that you have plenty of documented information to prove the fact that a permit for this project should not be approved.

Thank You,

Jeffrey Franta  
35512 595<sup>th</sup> ave.  
Lafayette, MN 56054  
507-276-7768

**From:** Jeff and Ann [jfranta@myclearwave.net]  
**Sent:** Saturday, August 01, 2009 9:43 PM  
**To:** Larry Hartman  
**Subject:** NUPUC Permit Application Concerns  
July 31, 2009

Larry Hartman, Project Manager  
Minnesota Office of Energy Security

New Ulm Public Utilities Commission Large Wind Energy Conversion System Site Permit Application,  
Minnesota Public Utility Commission Docket Number: E282/WS-09-178

Dear Mr. Hartman,

Regarding the above mentioned project I would like to make a number of comments.

1. On the cover letter of the permit application the New Ulm PUC erroneously states that it must comply with the states Renewable Energy Objective statute 216B.1691. They have stated from the beginning of this project that they need to meet this standard. We have found that New Ulm is not required to meet this standard. The New Ulm PUC should further explain the reason why they made this statement in its cover letter.

2. Section 1.0 Paragraph Four

The New Ulm PUC intends to interconnect with the existing Xcel Energy 69kV line that runs adjacent to the Project site pending MISO approval. In looking further into this we have found it could take three to five years to complete a study, and develop an interconnection agreement. The New Ulm PUC should explain why they said the line located adjacent to the project was the line that would carry the power when they knew they did not have an interconnection agreement in place.

3. Section 2.1 Identification of Project Area

The New Ulm PUC needs additional wind easements from area landowners which involve over 200 additional acres. The New Ulm PUC has stated, "In the event easements cannot be obtained from landowners, or exemptions granted, then NUPUC proposes to use eminent domain to obtain the necessary easements if a site permit is authorized by the PUC." The New Ulm PUC has failed to secure any wind rights for this project, and has threatened eminent domain. The New Ulm PUC should explain their authority to use eminent domain to obtain wind rights for the project and what authority supports the conclusion that taking wind rights serves a "Public Purpose."

4. Section 12.1.4 Nicollet County/Township Officials

The New Ulm PUC indicates a letter of support for the project was received from the Nicollet County staff. The New Ulm PUC stated, "County staff offered to write a letter of support for the CREB application." In visiting with Nicollet County staff it was learned that staff was "asked" to write a letter of support. In looking back, it appears Nicollet County staff was coaxed into writing this letter of support.

From the start of this proposed project, area landowners have sensed a number of elements to this project that the New Ulm PUC seems to be hiding. There has only been one public meeting with area landowners in reference to this project which was on February 16, 2009. This was called a listening session and no questions were addressed at the meeting. The New Ulm PUC should explain how the process they followed to date aligns with acceptable business practices. They should also explain how the process they used meets the requirements for permit approval by the Minnesota PUC.

Please feel free to contact me with any questions regarding these or any other concerns regarding this permit application.

Thank you for your consideration.

Jeffrey Franta  
35512 595<sup>th</sup> Ave.  
Lafayette, MN 56054  
507-228-8900

Larry Hartman,

I am writing to you regarding the New Ulm Public Utilities' proposed wind project in Lafayette Township of Nicollet County (Docket Number: E282/WS-09-178). I am a land owner and farmer less than 3,000 feet from some of the leased land. I farm in a partnership with a brother who has signed a lease agreement for two wind turbines on his property. I can assure you that the only way the NUPUC was able to secure this property was through the threat of eminent domain. A letter was sent on May 15, 2008 by the NUPUC (See Attached Letter), when we were overwhelmed with spring planting due to very wet field conditions. There was no interest by landowners to lease or sell the property, but direct purchase was the intent of the NUPUC. Land loss, overspray of herbicides, double planting of crops, farm guidance issues, aerial application, roads disrupting a 200 acre field, overlap with farm machinery, time loss due to farming around turbines, and added fuel consumption were all factors considered. Adding these costs over a 30 year period, we concluded that even payment at its highest offered level was considered not adequate enough for us to accept turbines on highly productive farmland. But "no" was never an accepted answer. So the landowners were forced to respond to a letter in only eight days or loose the land through the threat of eminent domain in which the NUPUC would have purchased the property. Why would the NUPUC want to take such action on their friends and neighbors to secure land for wind energy? That is a question that may never be answered. We are good farmers and stewards of the land, we have been strong community supporters of New Ulm, yet we are treated like we are their enemy. Unfortunately the New Ulm business owner and the local residence surrounding this project will suffer the most because of the actions of a few top city officials. We have 77 signers to a petition that seems to be ignored by the NUPUC. Isn't community support the most important aspect of starting a project of this magnitude?

As a surrounding landowner, I know this area stands united against New Ulm's attempt to establish a wind farm and there has been misleading information from the start of this project. Our concerns have remained the same since the beginning of this project and have only been sidestepped by the NUPUC. Only one informational meeting was held, and it was nearly two years into the project. It was a listening session and no questions were answered that night. At least one of the landowners who has signed a lease has had no contact with the NUPUC since October of 2008. Is that the way to start a project? We were told we have no legitimate concerns and that this is a typical not in my back yard scenario. If the NUPUC was truly concerned about the area landowners and about forming an honest, healthy business relationship, this project would have started with a meeting two years ago. It would

not have started with threats and intimidating business practices in which the threat of eminent domain was the only way they could secure this property. This project stands alone among others in the state because of this reason.

I feel that much manipulation was used to acquire some of the property and minimal information was released to the landowners so they wouldn't be scared away from the project. Once the NUPUC received letters, dated March 27<sup>th</sup> and 28<sup>th</sup> of 2008, informing them that the landowners were not interested in the project it went down a whole new avenue in which the treat of eminent domain was used to secure property. The landowners were not given much of a choice. I have lost all trust in the city of New Ulm and the answers that I will be given. I have felt a long time ago that my concerns are best addressed by other avenues and people. How can an honest, healthy business working relationship be formed under these conditions? It doesn't take long to gain someone's trust, but once you have lost that trust it will take a whole lifetime to get it back. I am not opposed to wind energy, but the need for it in this location with top quality farm land, heavy livestock production, and a densely populated area makes me question why this project is needed here. Why would the NUPUC want to risk having the many problems associated with a wind farm this close to many residence and their farm sites? A residence in the country consists of more than just the household, it consists of the whole farmyard due to time spent in and around the livestock production facilities.

This is not a game. People's lives are at stake because of their livelihoods. There are many questions that make us concerned that our businesses will be drastically affected. In some cases they already have. It has been very difficult to operate a farming business due to the stress and problems created by this project. It has been very destructive to our family and to the neighborhood. Why would the NUPUC want to do that to their friends and neighbors? Do they not have concerns about the effects *this will have on our area? Why not any studies on flicker or noise? If they were done, why hasn't that information been released to ease concerns? Why the secrecy?* I feel that the NUPUC's approach is: *This is where we are going to build it, this is how we are going to build it, and if there are any concerns or problems, the area residences will just have to deal with it after the fact.* If the NUPUC was truly concerned about the area landowners, why was there only one public meeting that was nearly two years after we first knew about the project?

- How can we trust anything that we are told now?
- Am I the next area landowner to be forced into accepting wind turbines?
- How big will the project be for sure? The numbers keep changing.

- Is outside investment a possibility? Then how big will the project be?
- Why Nicollet County? Why not Brown County?
- What are the benefits of this project to Nicollet County residence? I don't know of any.
- What are the tax implications for Nicollet County?
- Will New Ulm be the sole owner of the wind project?
- Will New Ulm have other investors joining in the wind farm at this time or at a later date?
- What are the ramifications if the wind farm fails or is sold after it is built?
- *Why trigger some of the issues caused by crossing county lines?*
- It appears that the infrastructure is adequate in Brown County. Why not build in Brown County?
- Why are the proposed wind turbines spaced over three sections of land? They would have less impact on the neighborhood and on farming if they would be clustered in a line. The NUPUC claims that they cannot do that, although most of the wind farms that I know of have them in clusters.
- If the wind farm is to have a capacity of up to 10.5 megawatts, why does there need to be a 30 megawatt collection station.
- What is the true projected efficiency of the turbines in this project?
- Should three months of data from the MET tower even be considered in making feasibility projections for this project? Isn't three to five years of data more adequate for making such a decision? Were the results from the MET tower immaterial to the NUPUC's project from the beginning?
- What are the future limitations to building in the area? Such as silos, buildings, tree planting or anything that may cause a change in wind flow? Many farmers look to expand for the next generation.
- Due to lack of support from area landowners, will New Ulm eminent domain wind rights? Can they?
- Do wind rights fall under the category of mineral rights?
- What is the true effect that the towers will have on farming practices such as aerial application, compaction caused by construction, and the destruction of tile lines? How will problems be addressed when there is limited or no communication between the NUPUC and landowners? *The NUPUC claims that the turbines can be shut off for aerial application at the request of the landowner, but how can we trust that this will happen when our concerns have not seemed to matter thus far?*

- What effects will the wind turbines have on GPS, television, cell phones, and internet? If problems occur, will they be corrected? How will it be enforced?
- How will we as neighbors deal with the health effects if some appear?
- How will roads be impacted during construction due to increased traffic and heavy equipment?
- Why have the residence of Nicollet County not been informed and updated on the wind farm project with informational meetings? Why the secrecy?
- Is it possible for the other area landowners to have their property confiscated for the enlargement of this wind farm?
- What kind of nuisance will the turbines create by attracting tourists and traffic to rural township roads?
- What about contract purchasing wind energy from Buffalo Ridge, Aberdeen, Trimont, or another wind farm if they want to use renewable energy? Is it even necessary to purchase any?
- How and why has this project gotten this far with overwhelming opposition and seemingly no requirement for renewable energy by 2025 by the NUPUC?

With all of these concerns New ULM should not be issued a permit for this project.

Thank you for taking time to read this letter. Please take a serious look at these concerns.

Area Farmer, livestock produce and landowner,

Rick Franta





# Public Utilities Commission

City of New Ulm

Administration  
310 First North Street  
New Ulm, Minnesota 56073

Telephone: (507)-359-8264

Fax: (507)-354-7318

**\*\* CERTIFIED MAIL \*\***

May 15, 2008

Re: SW1/4 of the NE1/4 and the East 786.55 feet of the SE1/4 of the NW1/4 Section 19,  
Township 111, Range 30 West

Brad Franta  
60781 370th Street  
New Ulm, MN 56073

Dear Mr. Franta,

You were previously notified that the New Ulm Public Utilities Commission (PUC) was undertaking an appraisal of your undeveloped farm property in Section 19 of Lafayette Township, Nicollet County. That process has now been completed. Subsequent analysis of that information has confirmed that lease payments in the range you have suggested cannot be sustained or justified for the PUC's proposed use of this property.

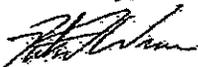
The PUC has invested a great deal of time and money in evaluating the development of your property as a potential site for harvesting wind resources. This investment has included wind resource analysis, feasibility studies, and the successful application for United States Internal Revenue Services project funds. A preliminary determination has been made that portions of your farm property in the NW1/4 and NE1/4 of Section 19 is the appropriate location for several utility related functions of the PUC, including the development of renewable energy resources. For that reason, the staff of the PUC intends to recommend to the Commission and the New Ulm City Council that this property be acquired in fee by the City of New Ulm for public utility purposes.

Minnesota law requires that the PUC make a good faith effort to acquire your property by direct, negotiated purchase before other means are used. We would like to meet with you to discuss and negotiate the direct purchase of your property under mutually agreeable terms and conditions. This may include methods by which the tax consequences of a sale to the City can be minimized. We feel that acquisition of your property in this way will enable us to provide a more attractive offer that we hope you will find worthwhile.

You are not required to meet with us. In any negotiations you may be assisted by a representative of your choosing, including an attorney. At this meeting a direct purchase offer will be made to you, subject to final approval by the PUC and New Ulm City Council. You will also be given a copy of the appraisal secured by the PUC so that you may further understand the basis for the PUC's purchase offer. You have the right to secure your own appraisal of your property by an appraiser of your choosing to test the conclusions of the appraisal we have secured. In fact, Minnesota law requires that the PUC reimburse you for the reasonable costs of your own appraisal up to a total of \$5,000.00 should you choose to secure one. The PUC will make such a reimbursement as required by law and will use your appraisal in determining the fairness of the PUC's offer.

Please contact me at your earliest convenience to schedule a meeting in order to further discuss the purchase offer for your property. If we do not receive a response from you by May 23, 2008, the PUC will assume that you are not interested in negotiating a sale and will evaluate other options for securing this property.

Sincerely,



Patrick Wrase  
Utilities Planning and Development Engineer  
New Ulm Public Utilities

cc: Hugh Nierengarten, Brian Gramentz, Gary Gleisner, Marv Martin