Public Utilities Commission

City of New Ulm

Administration
310 First North Street
New Ulm, Minnesota 56073

Telephone: (507)-359-8264
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May 5, 2009

Dr. Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place E., Suite 350
Saint Paul, MN 55101-2147

Subject: Draft Site Permit Application for the New Ulm Wind Project, Nicollet County, Minnesota

Dear Dr. Haar;

The New Ulm Public Utilities Commission (NUPUC) submits this draft application to the Minnesota Public Utilities Commission for a Site Permit to construct and operate the New Ulm Wind Project. The Project would have a nameplate capacity of up to 10.5 megawatts and as such, is a Large Wind Energy Conversion System as defined by the Wind Siting Act, Minnesota Statute §216F.01. The Project consists of up to 5 turbines located approximately 5 miles north of the City of New Ulm in Nicollet County, Minnesota. The NUPUC plans to use the output from the Project to meet the State of Minnesota Renewable Objectives requirement as outlined in Minnesota Statute §216B.1691.

Sincerely,

New Ulm Public Utilities Commission

Gary Gleisner
Director of Utilities

Attachment

cc: Patrick Wrase, New Ulm Public Utilities Commission
Leslie Knapp, EDAW|AECOM
Edgar Preissner, Sargent & Lundy, LLC.
Keith Anderson, Howard R. Green Company

SUMMER 2008

PEAK ALERTS

Throughout the summer NUPU may issue "Peak Alerts" due to extremely warm weather and abnormally high demand for electricity is expected.

We can all help control peak demand by limiting or changing our power usage in the following ways:

✔ Use electricity for laundry, the dishwasher, ironing, in the early morning or late evening. Preferably before 9 a.m. or after 9 p.m.

✔ Avoid using the oven during the heat of the day.

✔ Unplug unnecessary appliances.

✔ Turn off indoor and outdoor decorative lighting.

✔ Set your air conditioner thermostat to no lower than 78 degrees.

Peak Alerts will be announced on KNUJ, Radio One station on the day these actions should be taken.

2008 NUPU Capital Projects Schedule

Utility installation crews will be working in the following areas throughout the summer. Visit www.ci.new-ulm.mn.us and click on 2008 Public Utilities Construction Map to view locations.

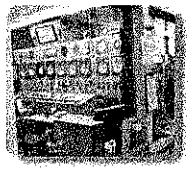
- Sara Hills 2nd
- Dakota West
- Milford Addition
- Somsen and Behrens
- County Road 27
- Sunset Avenue
- Harmening First Addition
- Cottage Homes

PATRICK WRASE
Utilities Planning and Development Engineer

Long Term Power Project Plans Underway

Key reasons for project

Higher than average electric bills, the current high price of generating power and the continuing expansion of New Ulm prompted New Ulm Public Utilities (NUPU) and the New Ulm City Council to form a Long Term Power Committee (LTPC) to address electric prices.



Control Room at NUPU

They have identified NUPU's needs for electric capacity and energy for the future and the best, most cost effective generating resources to meet those needs. Developing a long-term generation resource plan, they have forecasted energy needs through 2030 and plans are now underway to include existing facilities as well as new renewable energy resources.

Jim Hulke and Pat Wrase shown with steam turbine #4

Need for Capacity and Energy

The New Ulm peak customer load is about 50 MW with an average load of about 22.5 MW. Existing energy capacity is 51.5 MW from two combustion turbines, and 27 MW from three natural gas-fired cogeneration units. The reality of these fuel oil and natural gas-fueled resources is that they are not cost effective for base load (continuous output of energy) but rather should only be relied on for emergencies and peak times.

Long-Term Power Supply

In order to obtain the lowest possible electricity costs and to meet State of Minnesota renewable energy standards, New Ulm must rely on a combination of internal generating options and energy contracts. Developing combinations of resources to minimize the cost of electrical energy to New Ulm customers include amounts of contract energy with various reliance on New Ulm's generating assets. By 2025, 25% of total energy sales must be from renewable fuels. NUPU is striving to meet that goal.

Resource Options and Conclusions

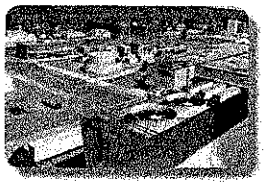
■ **Wind Power -** Renewable energy in the form of New Ulm's wind power project will help to moderate electric prices. The local project, which will include five wind turbine sites located in close proximity to New Ulm, is scheduled to get underway in late 2008 or early next year. Partially funded by a nearly $3 million, zero-interest Clean Renewable Energy Bond (CREB), the energy generated will meet 10% of the total New Ulm demand. New Ulm's good wind resources make wind power a low cost source of energy.

■ **Boiler #4 Upgrade –** This unit will be modified to utilize coal and biofuels with upgrades to the pollution control and fuel handling equipment. Electric rates are anticipated to be further moderated with this conversion. The boiler #4 operation also provides thermal energy for downtown industry plus cost effective heating to the buildings in the downtown area.

■ **Existing Combustion Turbines (CTs) –** In the past, the NUPU CTs have been utilized solely for the capacity needs of New Ulm. With the advent of the regional electrical markets, the energy from these units can be sold into the markets for an additional source of revenue for NUPU. NUPU will maximize the profit potential in the market with the Midwest Independent Systems Operation (MISO)

■ **Power Provider Contract –** Contracting with other providers helps cover what our internal resources can't provide in a more cost effective manner. NUPU is negotiating a contract with good terms with approval on the horizon for late this summer.

Boiler #4 Coal Feeders



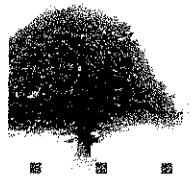
Power Plant cooling tower with the combustion turbine power station in the background.

High electrical power costs necessitated developing new power sources. NUPU's wind project, boiler #4 upgrades, market operations and power provider contract will benefit New Ulm with the optimum overall power cost for New Ulm customers.

Check out the New Ulm Public Utilities summer conservation rebate programs listed below to help you save money when purchasing high energy efficient appliances and to conserve on your summer energy usage.

For more detailed information and applications visit www.ci.new-ulm.mn.us or contact Lisa Fischer at 359-8228. For your convenience applications are also available at our billing office at 100 N. Broadway, New Ulm.

ReLeaf Tree Reimbursement Program



This program offers a rebate for shade trees planted on the east or west side of windows and windbreak trees on the north/northwest side of a home. Rebate is 2/3 cost of the tree not to exceed $75, limit six trees. Trees must have a one-year-growing guarantee and be on the list of eligible tree species. Application must be pre-approved before trees are planted.

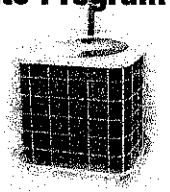
Energy Star Appliance Rebate Program

NUPU offers rebates on the new Energy Star (ES) appliances:

ES Clothes Washers	$50	ES Dishwashers	$25
ES Refrigerators	$30	ES Freezers	$30
ES Room Air Conditioner	$25		

A copy of the original receipt must accompany the rebate application.

Central Air Conditioning Rebate Program



New Ulm Public Utilities electric customers are eligible for a $200 rebate or more when purchasing a new qualifying energy-efficient central air conditioner with SEER (Seasonal Energy Efficiency Rating) rating of 14 or greater.

The program is applicable only for new central air conditioners sold for installation in new or retrofit (replacement) applications where the electricity is supplied by the New Ulm Public Utilities.

Central Air Conditioning Cleaning Discount Program

This program will run for three months each year from May 1 to August 31. Participating vendors will check blower, motor and bearings on furnace (oil if necessary); check filter - replace if needed; check drain line for restrictions; check humidifier damper (closed for summer mode); check condenser fan and bearings (oil); check electrical wiring and connections; check refrigerant charge; check condenser coil; and check thermostat. The customer is responsible for any parts or filters that need replacement.

To take advantage of this program contact one of these participating vendors:

■ Ahrens Heating, Inc. ■ Comfort Heating & Air Conditioning
■ Fadness Heating & Air Conditioning ■ Gag Sheet Metal
■ Klassen Plumbing & Heating & Air Conditioning
■ Kral's Appliance & Repair ■ Nilson Heating & Air Conditioning

Keep your cool this summer!

The most important factor in cooling your home is not to let it heat up. Good insulation, caulking and weather-stripping, as well as overhangs, awnings and shades serve to keep heat outside during the summertime.

The following tips will also keep you cool this summer as well as help save on your energy bill:

✔ Keep windows closed during the heat of the day.

✔ Draw blinds and draperies during the day to keep heat out.

✔ Change your air filter regularly. Dirty filters can use 5 to 10 percent more energy than necessary.

✔ Use small fans, box fans or ceiling fans instead of the central air conditioning unit when possible.

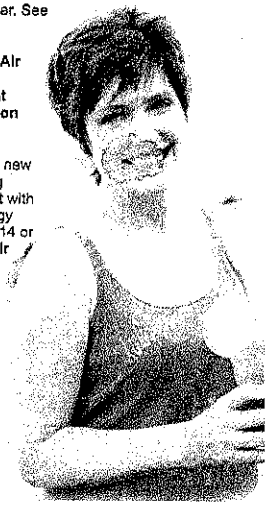
✔ Avoid keeping unnecessary lights turned on. They give off heat.

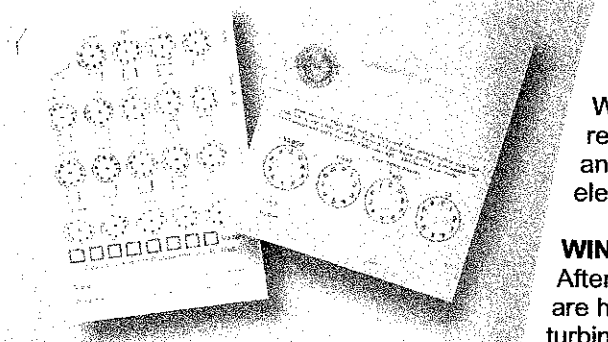
✔ Limit the use of ranges and stoves, dishwashers, dryers, washing machines and other heat-producing equipment as they produce heat.

✔ Have your central air conditioner cleaned and checked each year. See **New Ulm Public Utilities' Central Air Conditioning Cleaning Discount Program information in this newsletter.**

✔ When purchasing a new central air conditioning system, purchase a unit with a SEER (seasonal energy efficiency ratio) rating of 14 or better. See the **Central Air Conditioning Rebate Program information in this newsletter.**

✔ Plant trees to protect your house from the morning and afternoon sun. **Check out our ReLeaf Program Tree Reimbursement information in this newsletter.**





ABOVE ARE UTILITY cards that customers filled out during the 1980s and years prior.

streets of town while a computer using meter reading software (MV-RS) collects the data from a radio signal device installed on each home or business's meter. From there the information is transferred to the NUPU office for billing.

What used to take 300 hours a month to accomplish is now completed in 80 hours, making it more efficient and cost-effective.

The system has a range of half a block inside a building and a quarter mile o[illegible]de. As an example of its capabilities, [illegible]me it took to drive about 10 blocks at a slow to normal rate of speed, 363 meters were read. The MV-RS has a 97.8-99% collection accuracy. If it skips any meters the computer will show the missed locations. Often times it is the structure of the building which accounts for it being missed.

Although the technology has improved the speed and accuracy of meter reading, Petersen admits he does miss the interaction with customers that he enjoyed while going from house to house. What he doesn't miss, however, are some of the hazards of reading meters situated in precarious places, such as the top of steep, icy stairs on the roof of Marktplatz Mall.

At present 83% of the new system is computerized, with 100% being the goal in the next two years. Eventually the entire system will go a step further in that it will not be necessary to even drive the neighborhoods to collect the data. The information will transmit itself directly in a "self-read" process.

T[illegible]hanges have become what used to [illegible]e biggest part of the meter department —collecting the customer data—to the smallest part.

"The savings are tremendous," said Petersen, referring to the steep decrease in labor hours. "Plus it works so well and is trouble free."

LONG-TERM POWER UPDATE

PATRICK WRASE
Utilities Planning and Development Engineer

With the goal of bringing you the most efficient, affordable and reliable energy, New Ulm Public Utilities continues to upgrade and improve our current equipment as well as explore new electrical energy resources.

WIND ENERGY

After receiving supply offers from several manufacturers, we are happy to announce that we have an offer from the wind turbine manufacturer Vestas to supply five V82, 1.65 megawatt wind generator units for our wind energy project. These units are highly proven with numerous previous installations and a strong track record.

8.25 mw

It's a nice opportunity for us to have a solid company offering equipment for our project. This proven equipment is in high demand. Development of this project is currently in a permitting process with the Minnesota Public Utilities Commission (MnPUC). It is expected that the MnPUC will act on the project within the next 180 days. After the MnPUC grants the site permit, construction will begin on the project.

Once the project is complete, the new wind turbines will provide approximately 13% of New Ulm's electrical needs from renewable sources. Minnesota has a renewable energy goal of 25% by the year 2025.

BOILER CONVERSION / Biomass – 15 mw – MISO Market Jan 1 2010

A permit application has been submitted to Minnesota Pollution Control Agency (MPCA) in order to resume coal fuel utilization. There is a possibility to be able to resume the use of coal with a minimal investment in the boiler using a bag house. The bag house equipment will remove the particulate matter, from the boiler exhaust gas.

COMBUSTION TURBINE 51.5 mw

The generating capacity of the combustion turbines has been sold to Xcel Energy for a five-year term. An additional block has been sold to Xcel for July and August for an extra $50,000, over and above the $405,000 in yearly revenue from the five-year term.

15mw **SUPPLY CONTRACT** – 2.5 mw of 11 Wind

A block of power from Heartland Consumer Power District that includes fossil fuel and wind energy is scheduled to start January 1, 2010. The contract had been subject to securing transmission rights from the Heartland resources to the New Ulm delivery point. We were recently notified that Heartland has secured the needed transmission thereby ensuring the long-term viability of the contract.

Post 2010 - Federal Power Pick-Sloan → ? mw
WAPA – mw - not yet known
Hydro

GAS PRICING UPDATE

Gary Gleisner
Director of Utilities

Although it is difficult to predict price fluctuations, if costs stay at their current levels, gas costs should stay at or possibly be lower than 2008-2009 prices for the next heating season of Nov. 2009-March 2010.

NUPU has over half of its gas pricing locked in for the next two years. This can be advantageous depending upon current markets.

Other factors that affect gas pricing for the customer are weather and daily usage.

+ 27 mw From 3 natural gas-fired cogeneration units

meters or 84% have been converted to the Automated Meter Reading system. Most of the remaining meters (3,165) will be scheduled for installation during the fourth quarter of 2009 and first quarter of 2010.

Final reviews were completed on the 2008 Annual report for the New Ulm Public Utilities. The report is scheduled for presentation to the City Council and Pubic Utilities Commission on June 2nd. The Assistant Finance Director-Utilities completed the set up of the Gas Department on the MaintStar Work Order system. At this point, all departments are using this system.

PUC ENGINEERING ACTIVITIES

Long Term Power Project

Power Provider Contract
Heartland Consumer Power District (HCPD) staff is assisting NUPUC with daily load projections and demand bids and settlements within the Midwest Independent System Operator (MISO) market. HCPD is also assisting in developing a transmission request for the delivery of WAPA hydropower to New Ulm.

- 15MW

2.5 IS WIND

Existing Combustion Turbine's (CT's)
NUPUC staff has developed a capacity sale to Xcel Energy for an additional 19.2MW for July and August of 2009. This transaction will provide NUPUC with additional revenue of $48,000 during 2009. The transaction is in addition to the 5-year capacity sale of 25MW to begin on June 1, 2009 and run through May 31, 2014. NUPUC and Xcel have arrangements to account for the capacity transactions within the MISO framework. 51 MW CT TOTAL

25 MW SELLING TO XCEL + 19.2 MW JULY/AUG

44.2 MW CT TO XCEL

Boiler No. 4 Conversion to Coal/Biomass
The decision of the United States Environmental Protection Agency (USEPA) regarding the Boiler No. 4 "Letter of Applicability" (LOA) has not yet been rendered. The LOA asks that the USEPA concur with our opinion that the Boiler No. 4 improvements are routine type projects and thus will not require the Boiler No. 4 to be permitted under New Source Review (NSR) rules.

- 15 MW

A permit application being prepared for the MPCA under the scenario of reduced improvements to the Boiler No. 4 and a draft version was distributed for review to the project team on May 19th. It is anticipated that the reduced project permit application will be submitted to the Minnesota Pollution Control Agency in late May.

NEW ULM HAS STATED THEY CAN DO BIOMASS ANY TIME IF THEY SO CHOOSE

* KNOWN * RENEWABLES

BOILER #4 BIOMASS - 15 MW

HEARTLAND (WIND) 2.5 MW

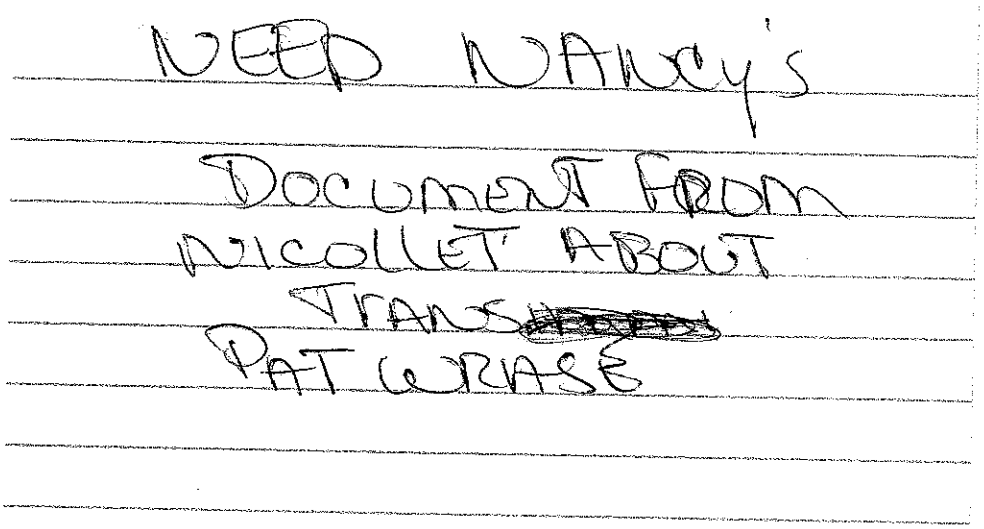
WAPA ALLOTMENT 2010 - UNKNOWN AS OF THIS DATE

Wind Energy

Local Wind Project

The permit application was formally submitted to the Minnesota Public Utilities Commission (MnPUC) through the eDockets system on May 5th. The project was submitted with a request for an exception to the MnPUC guidelines with respect to wind rights requirements. The MnPUC has 30 days to either accept or reject the application. In addition, MISO has determined that the New Ulm Wind Project cannot connect to the existing transmission system without first taking part in a regional planning study that would determine upgrades to the transmission system necessary to accommodate the project. The transmission consultants believe that this process would take from three to five years to develop an interconnection agreement. In order to keep the project on a more reasonable development schedule, a transmission permit has been applied for with Nicollet County. This self build option would allow for the energy from the system to feed directly into the New Ulm distribution system.

lag\c:Council\Attachments\2009\Activity Report May 2009



To date; 1.54 MG of biosolids applied this year.

WATER/STEAM DEPARTMENT ACTIVITIES

Water/Steam Department activities during June included: performed routine maintenance and repairs on facility equipment, HVAC, pumps and generators, and one EZ Valve machine installation; repaired three private service lines; repaired ten departmental service lines; repaired one replacement gate valve; performed 199 "Gopher State One Call" locates; monitored and pumped water from steam system vaults; repaired and reinstalled the high-pressure steam meter for AMPI; and replaced the expansion joint for the Firmenich condensate return line due to failure and leakage.

Staff completed the annual leak survey and began repairs on both departmental and private portions. A total of 20 confirmed leaks were found. Estimated payback on the cost of the survey is three months. Additional leaks are usually found after the initial survey due to the masking affect of the noise of one leak over a nearby smaller leak.

Raw water pumpage for May 2009 was 71.09 MG, which compares to 58.625 MG or 12.465 MG more than April 2009. Daily demand ranged from a peak of 3.023 MGD to a low of 1.715 MGD, with an average of 2.93 MGD.

PUC ADMINISTRATION ACTIVITIES

Meter reading for June started on May 29th and was finished on June 5th. A total of 18,850 metes were read in 80 hours. In comparison, the June 2008 cycle took 103.75 hours to read 18,801 meters.

The Assistant Utility Finance Director started preparations for the 2010 annual budget and completed mandatory forms to be submitted to the Federal and Minnesota Departments of Energy regarding performance for the year ended 2008.

PUC ENGINEERING ACTIVITIES

Long Term Power Project

Power Provider Contract

NUPUC and Heartland Consumer Power District (HCPD) staff members have successfully bid output from Steam Turbine #4 into the MISO market and submitted metering data for the output. NUPUC staff is preparing historical load data in order to develop daily load projections and demand bids in the MISO market after the startup of the HCPD contract on January 1, 2010.

Existing Combustion Turbine's (CT's)

NUPUC and Xcel have arrangements to account for the capacity transactions within the MISO framework. Xcel began purchasing 25MW of capacity on June 1st.

Boiler #4 Conversion to Coal/Biomass

The decision of the United States Environmental Protection Agency (USEPA) regarding the Boiler #4 "Letter of Applicability" (LOA) has not yet been rendered. The LOA asks that the USEPA concur with our opinion that the Boiler #4 improvements are routine type projects and thus will not require the Boiler #4 to be permitted under New Source Review (NSR) rules. NUPUC consultants have been in contact with USEPA officials regarding the LOA and have been informed that a ruling is imminent.

A permit application was submitted to the MPCA under the scenario of reduced improvements to the Boiler #4 the week of June 15th.

Wind Energy

Local Wind Project

The permit application was formally submitted to the Minnesota Public Utilities Commission (MnPUC) on May 5th. The project was submitted with a request for an exception to the MnPUC guidelines with respect to wind rights requirements. On June 11th, the MnPUC accepted the permit application for the New Ulm wind farm as complete thereby beginning the formal permitting process. The MnPUC has 180 days in which to grant or reject the permit.

Vestas Americas has been selected as the supplier for the New Ulm Wind Energy project. It is anticipated that turbine equipment will be available for an early 2010 delivery, depending on solidifying the order with a non-refundable down payment. Down payment funds will be withheld until which time a site permit is granted for the project by the MnPUC.

lag\c:Council\Attachments\2009\Activity Report June 2009

1. RESOURCE PLAN

1.1 RESOURCE PLAN OPTIONS AND SCENARIOS

Three different resource plan options will be evaluated in the financial model as well as various (sub-plans). A description of each of these options follows:

- **Option X:** Confirm that the conversion of Combustion Turbines to dual fuel is the better economic solution for the combustion turbines. This assumption will then be used in all the following options concerning the combustion turbines.
- **Option 1.** The retirement of all steam turbines in 2006, purchase capacity from the market until the addition of new generation is possible, as required to meet capacity needs.
    - **Option 1a:** Additional combustion turbine generation (theoretical) in 2009 in order to meet capacity demand.
    - **Option 1b:** Additional wind generation in 2009 in order to meet capacity demand.
    - **Option 1c:** Additional coal generation (partnership) in 2014 in order to meet capacity demand.
- **Option 2:** Retire both combustion turbines as well as all the steam turbines. The combustion turbines will be retired when the addition of new generation is possible.
    - **Option 2a:** Retire CTs in 2009. Additional wind generation in 2009 in order to meet capacity demand.
    - **Option 2b:** Retire CTs in 2014. Additional wind generation in 2014 in order to meet capacity demand.
    - **Option 2c:** Retire CTs in 2014. Additional coal generation (partnership) in 2014 in order to meet capacity demand
- **Option 3:** Convert Boiler # 4 to coal/biomass in 2009.
- **Option 4:** Convert Boiler # 4 to coal/biomass in 2009. The combustion turbines will be retired when the addition of new generation is possible.
    - **Option 4a:** Retire CTs in 2009. Additional wind generation in 2009 in order to meet capacity demand.
    - **Option 4b:** Retire CTs in 2014. Additional wind generation in 2014 in order to meet capacity demand.
    - **Option 4c:** Retire CTs in 2014. Additional coal generation (partnership) in 2014 in order to meet capacity demand.

FEB 2007 ISSUE

CUSTOMER CONNECTIONS

Heartland Welcomes New Ulm, Grove City

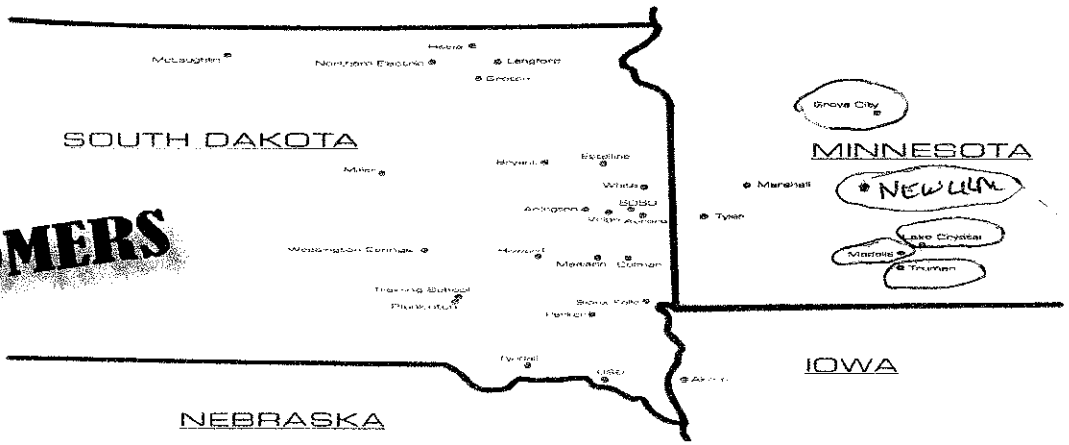
Heartland has exciting Customer news to announce this month. In mid-January, Heartland's General Manager Mike McDowell signed a Letter of Intent to enter a 30-year contract with the City of New Ulm, Minnesota. Heartland will begin serving the city June 1, 2009.

Said McDowell, "The addition of New Ulm as a Customer is great news. New Ulm is a prosperous, progressive city and this relationship offers opportunities that will serve both their community and Heartland well into the future."

New Ulm will be a full-requirement Customer located within the Midwest Independent Transmission System Operator (MISO) footprint. Other Heartland Customers within the MISO footprint include the cities of Lake Crystal, Madelia, and Truman--all in Minnesota. Said John Knolczynski, Heartland's Manager of Engineering, "We only started serving Customers outside the WAPA-controlled area a year ago, so it is still quite new to us. We will continue to pursue, and hopefully add, new Customers in Minnesota."

As of the first of the year, Heartland began serving another Minnesota Customer: Grove City. Grove City, also located within the MISO footprint, is Heartland's fourth full-requirement Customer, meaning that Heartland serves all of the city's load and also acquires their entire load growth.

Said McDowell, "We are excited and pleased to have Grove City as a member of our Customer family. The city's proximity to the Twin Cities makes this fine community a prime area for future growth. We look forward to being their power supply partner of choice."



CUSTOMERS

WATT DO YOU DEMAND?! Heartland is here for you--the Customer! What would you like to read in *The Power*? Send your community news and article requests, ideas, and comments to the contact information on page six, or to *drosheim@hcpd.com*.

Continued: Heartland launches Power Forward

Other goals include increasing the use of compact fluorescent light bulbs and Energy Star products in Customer communities. Heartland will implement an "Extreme Energy Makeover" contest in 2009 with the goal of retrofitting an existing home and promoting the effects of energy efficiency improvements. After the winning home is selected, an energy audit will be performed and improvements made based on the findings. Example improvements include attic insulation, Energy Star windows, Energy Star appliances and an electric HVAC system. Heartland will document the energy savings of the selected home and perform a cost/benefit analysis. More information on the Extreme Energy Makeover will be available soon.

POWER™ FORWARD

Heartland has developed a relationship with Marathon, the producer of the longest lasting and most energy efficient water heaters available. Heartland is providing a $2,500 incentive to each Customer community implementing a Marathon program in 2009 in order to increase their use. The incentive will also be available to Customers currently implementing the program.

Finally, it is Heartland's goal to increase the use of and improve load management systems in Customer communities. In 2009, Heartland will evaluate each Customer's load management program or potential and assist with a plan for enhancement or implementation. We will provide assistance in the planning, implementation and maintaining of a functional load management system.

Heartland has identified other possible programs for implementation in the near future. We will be assessing potential savings and plans for these in the coming year.

Heartland staff will be visiting with Customers more extensively on the Power Forward program and more details will become available. If you would like to visit about the program, please contact Ann Garry at *agarry@hcpd.com*, Adam Graff at *agraff@hcpd.com* or call Heartland at (605)256-6536.

Heartland welcomes New Ulm to Customer base

FEB 2009 NEWS: CET

In an update to news first announced in February of 2007, the New Ulm (Minnesota) Public Utilities Commission and the Heartland Board have approved an agreement under which Heartland will supply New Ulm a block of 15 MW of power and energy beginning January 1, 2010. New Ulm becomes Heartland's seventh municipal Customer in Minnesota.

"New Ulm has unique power supply needs and we are happy that they have selected Heartland to fulfill a part of their supply," said General Manager Mike McDowell.

According to Gary Gleisner, New Ulm Director of Utilities, New Ulm presently receives power from Xcel Energy. After the switch, a small portion of New Ulm's power will be provided by their in-house generation. "The remaining power supply in the short term will be provided primarily by purchases in the Market," he said. "Once the conversion of one of our boilers is complete, and our local wind farm is operational, the majority of electric power for New Ulm will come from Heartland and our in-house generating capacity."

New Ulm, home to almost 14,000 people, is located 90 miles southwest of the Twin Cities in the scenic Minnesota River Valley. New Ulm has many historic attractions including Hermann Monument, Glockenspiel, Wanda Gag Home, John Lind Mansion and Schell's Brewery, among others. New Ulm is famous for its German heritage and hosts two German festivals each year: Oktoberfest and Fasching (a German type Mardi Gras). In fact, according to the 2000 US Census, for cities with a population greater than 5,000, New Ulm has the highest percentage of people with German ancestry making it the "Most German City in the USA". For more information about their community visit www.newulm.com.

New Ulm. Charm. Tradition. Heritage.

* SEE CENSUS *

According to Wrase, WindLogics Inc. has completed the wind resource assessment of sites for the utility's local wind project, and "the wind resource assessment has indicated an average gross capacity factor of 44 percent is likely for the site."

That's about 10 percent higher than the assessment calculations used by NUPU staff for the preliminary assessment for the project, Wrase said.

"The project continues to be economically attractive, especially if we're successful at obtaining Clean Renewable Energy Bonds for a portion of the project costs," Wrase said. The utility is applying for $2.975 million in CREB funding 'which would be zero percent interest," Wrase said.

The reason that the utility's net margin of $309,880 after the first six months is only 28 percent of the utility's budgeted annual net margin of $1,093,165 is that the utility's customers are getting really serious about conserving on energy and water, Gleisner told the commission.

"Our sales are flat in almost every department," Gleisner said.

"Even though we have more homes now, the number of people in each house is smaller. We're not seeing four or five kids in a house any more," City Manager Brian Gramentz added.

By Ron Larsen
Journal Staff Writer

The Journal [1]

25 July 2007

URLs in this post:
[1] The Journal: **http://www.nujournal.com/News/articles.asp?articleID=8210**

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July 25, 2007
Minnesota

PUC sells bonds

The New Ulm Public Utilities Commission Tuesday authorized the issuance of $2,375,000 in general obligation revenue bonds that will fund various projects including construction of the Cottonwood booster station and design work on the proposed New Ulm Wind Farm.

The bonding issue now goes to the City Council for ratification. It also would provide about $700,000 for the Boiler No. 4 conversion project. The commission acted after discussing the utility's bonding capabilities with the city's bonding consultant during an informational meeting that preceded the PUC's regular meeting.

Maintaining a satisfactory level of unrestricted reserve cash has greatly enhanced the utility's ability to the best possible interest rate on its bonds, bonding consultant Jon Burmeister of Des Moines said.

"New Ulm is in the enviable position of maintaining an A1 bond rating while giving New Ulm almost triple-A rates," Burmeister said.

The commission took another step in securing less expensive electrical power by voting to apply for at least a portion of the 20 megawatts of Pick Sloan federal hydroelectric power being offered to new customers by the Western Area Power Administration.

New Ulm Public Utilities would be in line for the cheaper power because Heartland Consumer Power District, which becomes NUPU's primary power supplier in 2009, will act as the conduit for obtaining the power, commissioners were told.

While he couldn't give specifics yet, Director Gary Gleisner said obtaining the cheaper hydroelectric power should cut the utility's product costs "quite a bit."

Although Sargent & Lundy's estimate of NUPU's wind farm project costs, at $12.5 million, was considerably higher than the utility's own estimate of around $10 million, "Sargent & Lundy's estimate includes $3.8 million for a new substation [for transmission of power generated on the wind farm] which may or may not be necessary," NUPU's Planning and Development Engineer Patrick Wrase told the commission.

Wrase said the utility's estimate was based on sending its generated power through the substation owned and operated by Xcel Energy near New Ulm.

"We will have to depend on Xcel's substation to get the wind generation power into New Ulm. [To get more independence] we would have to put in a new transformer, but it would have to be built next to the present substation on Xcel land so we'd still have to work through Xcel," Wrase said.

Otherwise, the prognosis for a wind energy farm just gets better and better, Wrase reported.

WED - July 1, 2009

New Ulm's population down slightly in '08

Albert Lea, Waseca, Fairmont, Austin also lose population

By Kevin Sweeney
Journal Editor

NEW ULM — The City of New Ulm has lost population since 2000, and from 2007 to 2008, according to figures released by the U.S. Census Bureau.

New Ulm's population was 13,594, according to the 2000 Census. In 2007, the Census Bureau estimated the population at 13,124, and in 2008 it was 13,048. That marks a 4.02 percent drop since 2000, and a 0.6 percent drop in population from 2007 to 2008.

New Ulm City Manager Brian Gramentz said the city has been keeping track of the Minnesota State Demographer's estimates, and he had expected New Ulm would follow the trend from 1990 to 2000, that Brown County stayed about the same in population, but that people were moving from the rural area to the cities.

"We are probably no different than other rural communities in Minnesota," said Gramentz. "People may see opportunities in living in the big cities and other communities, and they follow that opportunity."

One factor in New Ulm's population decline could be enrollment at Martin Luther College, said Gramentz. "Six years ago their enrollment was 1,200. If it is now 900, that's a drop of 300."

Actually, Martin Luther College's student population as of March 31, 2009, was 717, according to the college's web site.

"We'll see what the 2010 Census says," said Gramentz. "That's what's really happening."

The census estimates showed strong growth in the suburbs around St. Paul and Minneapolis.

Among the cities that grew the fastest were Otsego, Hugo, Victoria and Waconia, which all grew by 3.5 percent since 2007.

The state's largest cities — Minneapolis, St. Paul, Rochester, Duluth and Bloomington — all grew a little bit from 2007 to 2008.

Sizeable cities in southern Minnesota that shrank include Albert Lea, New Ulm, Waseca, Fairmont and Austin.

The state grew as a whole by about 38,000, to 5.22 million from 2007 to 2008.

(Information from The Associated Press was included in this report.)

Rank	City	2000	2007	2008	Pct change	Change	Pct. change
1	Minneapolis	382,618	379,616	382,605	0.00%	2,989	0.8%
2	St. Paul	287,151	278,014	279,590	-2.63%	1,576	0.6%
3	Rochester	85,806	98,669	100,413	17.02%	1,744	1.8%
4	Duluth	86,918	84,281	84,284	-3.03%	3	0.0%
5	Bloomington	85,172	81,016	81,280	-4.57%	264	0.3%
6	Plymouth	65,894	70,758	71,486	8.49%	728	1.0%
7	Brooklyn Park	67,388	70,502	71,308	5.82%	806	1.1%
8	St. Cloud	59,107	66,686	66,948	13.27%	262	0.4%
9	Eagan	63,557	63,704	63,985	0.67%	281	0.4%
10	Coon Rapids	61,607	61,803	61,832	0.37%	29	0.0%
Notables							
21	Mankato	32,427	36,023	36,245	11.77%	222	0.6%
23	Moorhead	32,177	35,130	36,012	11.92%	882	2.5%
33	Winona	27,069	26,839	26,785	-1.05%	(54)	-0.2%
44	Austin	23,314	22,893	22,800	-2.20%	(93)	-0.4%
46	Faribault	20,818	21,853	22,009	5.72%	156	0.7%
58	Stillwater	15,143	17,773	17,896	18.18%	123	0.7%
59	Willmar	18,351	17,783	17,774	-3.14%	(9)	-0.1%
60	Albert Lea	18,356	17,501	17,389	-5.27%	(112)	-0.6%
64	Hibbing	17,071	16,235	16,209	-5.05%	(26)	-0.2%
65	Red Wing	16,116	15,655	15,687	-2.66%	32	0.2%
72	Brainerd	13,178	13,699	13,691	3.89%	(8)	-0.1%
73	Fergus Falls	13,471	13,656	13,636	1.22%	(20)	-0.1%
74	Bemidji	11,917	13,346	13,541	13.63%	195	1.5%
77	New Ulm	13,594	13,124	13,048	-4.02%	(76)	-0.6%
89	Worthington	11,283	10,906	11,036	-2.19%	130	1.2%
101	Virginia	9,157	8,497	8,480	-7.39%	(17)	-0.2%
109	East Grand Forks	7,501	7,769	7,812	4.15%	43	0.6%
127	International Falls	6,703	6,014	5,906	-11.89%	(108)	-1.8%

SET FORTH IN WESTERN'S JUNE 25, 2007 FEDERAL REGISTER NOTICE

New Ulm Public Utilities

City of New Ulm

Office of the Director of Utilities
310 First North Street
New Ulm, Minnesota 56073

Telephone: (507) 359-8264
Fax: (507) 354-7318
gary.gleisner@ci.new-lm.mn.us

CERTIFIED MAIL

RECEIVED IN BILLINGS UGPCSR
AUG 20 2007

August 16, 2007

Mr. Robert J. Harris
Regional Manager
Upper Great Plains Region
Western Area Power Administration
2900 4th Avenue North
Billings, MT 59101-1226

Dear Mr. Harris:

This letter of interest in an allocation of Federal power is in response to the FRN Post-2010 Resource Pool, Pick-Sloan Missouri Basin Program – Eastern Division request for letters of interest in an allocation of Federal power for delivery beginning January 1, 2011.

New Ulm Public Utilities is a municipal power system operating under the laws of the State of Minnesota. New Ulm located in south central Minnesota. We have never received, directly or indirectly, any benefit from a current Federal power allocation.

Our mission is to provide low cost, reliable power to our community. We serve approximately 7,000 retail customers. Federal power would become an important part of the power supply resources that we use to provide service to these customers.

Heartland Consumers Power District will be our full-requirements power supplier at the time the allocation is available for delivery and has agreed to allow us to incorporate a Federal power allocation as a primary resource. Heartland is in the process of acquiring the necessary firm transmission service between the Integrated System and our electric system for delivery of the Federal power. After firm transmission has been approved, Heartland is also willing to schedule this resource through the MISO system on our behalf.

We look forward to working with you to make this valuable resource available to our community.

Sincerely,

Gary J. Gleisner
Director of Utilities

Federal Register Notices

2009
2008
2007
2006
2005
2004
2003
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1996
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2007 Federal Register notices
Note: All files are in PDF

Notice	Date Published	Citation
Placing firm power and firm peaking power rates from the Pick-Sloan Missouri Basin Program—Eastern Division into effect on an interim basis, Rate Order No. WAPA--135	November 14, 2007	72 FR 64067
Placing firm electric service rates from the Loveland Area Projects into effect on an interim basis, Rate Order No. WAPA-134	November 14, 2007	72 FR 64061
Notice of availability and public hearing of the Big Stone II Power Plant and Transmission Project supplemental draft Enviornmental Impact Statement	October 26, 2007	72 FR 60843
Notice of record of decision and floodplain statement of findings of the San Lois Rio Colorado Project. Western intends to enter into interconnection and construction agreements with NBR, and to contruct , own, operate, and maintain the transmission system additions in the U.S. that would allow the interconnection	October 12, 2007	72 FR 58074
Notice of order concerning transmission service rates placing firm and nonfirm transmission service rates for the Pacific Northwest-Pacific Southwest Intertie Project into effect on an interim basis, Rate Order No. WAPA-13	October 10, 2007	72 FR 57563
Notice of a draft study work plan for performing the Wind Hydropower Integration Feasibility Study	September 19, 2007	72 FR 53560
Fiscal Year 2008 base charge and rates for Boulder Canyon Project electric service provided by Western has been approved	September 4, 2007	72 FR 50676
Western is proposing changes to current regulations that require customers to prepare integrated resource plans (IRP)	August 21, 2007	72 FR 46570
Western intends to prepare an Environmental Impact Statement for rebuilding the Granby Pumping Plant-Windy Gap transmission line in Grand County, Colo.	August 10, 2007	72 FR 45040
Notice of final resource adequacy plan for load in the California Independent System Operator Corporation's (CAISO) Balancing Authority Area	July 27, 2007	72 FR 41309
Notice of intent to prepare an Environmental Impact Statement and conduct scoping meetings; Notice of floodplain and wetlands involvement for the construction and operation of the proposed NextGen Energy Facilty, SD	July 27, 2007	72 FR 41307
Western's consideration of certain Public Utility Regulatory Policies Act standards set forth in the Energy Policy Act of 2005	July 11, 2007	72 FR 37759
Notice of order temporary extending transmission and ancillary service rates for the Colorado River Storage Project through Sept. 30, 2010. Rate Order WAPA-132	July 11, 2007	72 FR 37758
Record of decision - White Wind Farm, LLC has applied to Western to interconnect its proposed White Wind Farm Project to Western's transmission system at the existing White Substation, near Brookings, SD	July 10, 2007	72 FR 37525
Request for letters of interest and comments from entities interested in an allocation of Federal power, to gather information to aid Western in determining the appropriate purposes for a proposed Post 2010 Pick-Sloan Missouri Basin Program--Eastern Division resource pool	June 25, 2007	72 FR 34680
Request for letters of interest to determine which eligible new customers may be interested in an allocation of Federal power, and to gather information and comments to aid Western in determining the appropriate purposes for a proposed Post 2009 Loveland Area Projects resource pool	June 25, 2007	72 FR 34679

MW AMOUNT UNKNOWN

Additional public meetings set to provide the public opportunity to review and comment on additional and revised transmission line routes and the scope of the environmental impact statetment for the Eastern Plains Transmission Project dated Aug. 2, 2006	June 4, 2007	72 FR 30792
Proposing revised rates for Pick-Sloan Missouri Basin Program—Eastern Division firm electric and firm peaking power service. Rate Order WAPA-135	May 31, 2007	72 FR 30372
Proposing revised rates for Loveland Area Projects firm electric service. Rate Order WAPA-134	May 31, 2007	72 FR 30370
Conducting a public process to propose a Final Resource Adequacy Plan for transactions in the CAISO Corporation's Balancing Authority Area. Pending the development of this final RA Plan, Western has established interim RA Plans to facilitate its transactions in the CAISO Balancing Authority Area	April 25, 2007	72 FR 20528
Notice of proposed base charge and rates adjustment for the Boulder Canyon Project	February 14, 2007	72 FR 7026
Notice of intent to prepare an Environmenal Impact Statement for the Eastern Plains Transmission Project	January 19, 2007	72 FR 2507

such representations fairly disclose the results of such testing.

(5) This waiver shall remain in effect from the date this Decision and Order is issued until DOE prescribes final test procedures appropriate to the above model series manufactured by Whirlpool.

(6) This waiver is conditioned upon the presumed validity of statements, representations, and documentary materials provided by the petitioner. This waiver may be revoked or modified at any time upon a determination that the factual basis underlying the Petition for Waiver is incorrect, or DOE determines that the results from the alternate test procedure are unrepresentative of the basic models' true energy consumption characteristics.

Issued in Washington, DC, on April 21, 2009.

Steven G. Chalk,

Principal Deputy Assistant Secretary, Energy Efficiency and Renewable Energy.

[FR Doc. E9–10321 Filed 5–4–09; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 12589–001—CO]

Public Service Company of Colorado; Notice of Availability of Draft Environmental Assessment

April 28, 2009.

In accordance with the National Environmental Policy Act of 1969, as amended, and the Federal Energy Regulatory Commission's (Commission or FERC) regulations, 18 CFR part 380 (Order No. 486, 52 FR 47897), the Office of Energy Projects has reviewed the application for a new major license for the Tacoma Hydroelectric Project (FERC No. 12589), located on Cascade, Little Cascade and Elbert Creeks in San Juan and La Plata Counties, Colorado. The project currently occupies, in part, 233.4 acres of Federal land in the San Juan National Forest administered by the U.S. Forest Service.

Staff prepared a draft environmental assessment (EA) that analyzes the probable environmental effects of relicensing the project and concludes that relicensing the project, with appropriate staff-recommended environmental measures, would not constitute a major Federal action significantly affecting the quality of the human environment.

A copy of the EA is on file with the Commission and is available for public inspection. The EA may also be viewed on the Commission's Web site at *http://www.ferc.gov* using the "eLibrary" link. Enter the docket number excluding the last three digits in the docket number field to access documents. For assistance, contact FERC Online Support at *FERCOnlineSupport@ferc.gov* or toll-free at 1–866–208–3676, or for TTY, (202) 502–8659.

You may also register online at *http://www.ferc.gov/docs-filing/esubscription.asp* to be notified via e-mail of new filings and issuances related to this or other pending projects. For assistance, contact FERC Online Support.

Comments on the EA should be filed within 30 days from the issuance date of this notice, and should be addressed to the Secretary, Federal Energy Regulatory Commission, 888 First Street, NE., Room 1–A, Washington, DC 20426. Please affix "Tacoma Hydroelectric Project No. 12589–001" to all comments. Comments may be filed electronically via the Internet in lieu of paper. The Commission strongly encourages electronic filings. *See* 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's Web site under the "eFiling" link. For further information, contact David Turner at (202) 502–6091.

Kimberly D. Bose,

Secretary.

[FR Doc. E9–10252 Filed 5–4–09; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER09–1028–000]

Coventa Hempstead Company; Supplemental Notice That Initial Market-Based Rate Filing Includes Request for Blanket Section 204 Authorization

April 28, 2009.

This is a supplemental notice in the above-referenced proceeding of Coventa Hempstead Company's application for market-based rate authority, with an accompanying rate tariff, noting that such application includes a request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability.

Any person desiring to intervene or to protest should file with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant.

Notice is hereby given that the deadline for filing protests with regard to the applicant's request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability, is May 18, 2009.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at *http://www.ferc.gov*. To facilitate electronic service, persons with Internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 14 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First St., NE., Washington, DC 20426.

The filings in the above-referenced proceeding are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the Web site that enables subscribers to receive e-mail notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please e-mail *FERCOnlineSupport@ferc.gov* or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Kimberly D. Bose,

Secretary.

[FR Doc. E9–10251 Filed 5–4–09; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Western Area Power Administration

Post-2010 Resource Pool, Pick-Sloan Missouri Basin Program—Eastern Division

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of Final Procedures.

SUMMARY: Western Area Power Administration (Western), Upper Great Plains Region, a Federal power marketing agency of the Department of

Energy (DOE), hereby announces its Post-2010 Resource Pool Allocation Procedures. The Energy Planning and Management Program (Program) provides for establishing project-specific resource pools and allocating power from these pools to new preference customers and other appropriate purposes as determined by Western. Western, in accordance with the Program, is finalizing procedures to administer a Federal power resource pool increment of up to 1 percent (approximately 20 megawatts) of the long-term marketable resource of the Pick-Sloan Missouri Basin Program—Eastern Division (P–SMBP—ED) that will become available January 1, 2011 (Post-2010 Resource Pool). Western proposed procedures in the **Federal Register** on October 15, 2008 (73 FR 61109), and responses to public comments received pertaining to the proposed procedures are included in this notice. Western will publish a notice of proposed allocations in the **Federal Register** after the effective date of this notice.

DATES: The Post-2010 Resource Pool Allocation Procedures will become effective June 4, 2009.

ADDRESSES: Information regarding the Post-2010 Resource Pool Allocation Procedures, including comments, letters, and other supporting documents made or kept by Western for the purpose of developing the final procedures, are available for public inspection and copying at the Upper Great Plains Region, Western Area Power Administration, 2900 4th Avenue North, Billings, MT 59101–1266. Public comments are available for viewing at: *http://www.wapa.gov/ugp/Post2010/Post2010CmtLtr.htm.*

SUPPLEMENTARY INFORMATION: Western published the Final Rule for the Program (Final Rule) on October 20, 1995 (60 FR 54151). The Final Rule became effective on November 20, 1995. Subpart C–Power Marketing Initiative of the Program, Final Rule, 10 CFR part 905, provides for project-specific resource pools and allocations of power from these pools to eligible new preference customers and/or for other appropriate purposes as determined by Western. The additional resource pool increments shall be established by pro rata withdrawals, on 2 years' notice, from existing customers. Specifically, 10 CFR 905.32(b) provides:

> At two 5-year intervals after the effective date of the extension to existing customers, Western shall create a project-specific resource pool increment of up to an additional 1 percent of the long-term marketable resource under contract at the time. The size of the additional resource pool increment shall be determined by Western based on consideration of the actual fair-share needs of eligible new customers and other appropriate purposes.

Western held a public information and comment forum on November 20, 2008, to accept oral and written comments on the proposed procedures and call for applications. The formal comment period ended January 13, 2009. The Post-2010 Resource Pool Allocation Procedures in this **Federal Register** notice explain in detail how Western intends to implement Subpart C–Power Marketing Initiative of the Energy Planning and Management Program Final Rule in the P–SMBP—ED.

Response to Comments Regarding Post-2010 Resource Pool Allocation Procedures

Comments and Responses

Comment: Western received a comment stating that it should stay consistent with prior marketing initiatives and with the rules and regulations of the Program. The comment expressed concern that Western has been inconsistent in regard to whether Western allocates power based on an entity already having a Federal power commitment versus the entity already having an allocation of firm power from Western.

Response: Western agrees with the importance of acting consistently and in accordance with the P–SMBP—ED Final Post 1985 Marketing Plan (45 FR 71860, October 30, 1980) (Post-1985 Marketing Plan), the Program, and the Post-2000 and Post-2005 Marketing Initiatives. In response to public comments and to stay consistent with the Post-1985 Marketing Plan and the intent of the Program, General Eligibility Criterion C was clarified in the Notice of Final Procedures **Federal Register** (68 FR 67414, December 2, 2003), for the Post-2005 Resource Pool by adding "or other firm Federal power commitment." New Western customers from the Post-2000 and Post-2005 Resource Pools were allocated power consistent with this clarification.

Comment: Western received a comment urging Western to consider giving allocations to cooperatives a higher priority than other applicants under the Post-2010 Resource Pool.

Response: The preference clause provides for public entities to be given preference over private entities in the marketing of Federal power. There are no preference entity applicants with a higher priority than another. Western will not provide a higher priority to one preference entity applicant over another in the Final Post-2010 Resource Pool Allocation Procedures.

Comment: Western received comments in support of an entity's application for power under the Post-2010 Resource Pool.

Response: All applications received by Western for an allocation of power from the Post-2010 Resource Pool will be considered in accordance with the Final Post-2010 Resource Pool Allocation Procedures.

Comment: Western received a comment that Criterion D of the General Eligibility Criteria does not accurately describe the prohibition of resale by a non-utility or a utility to a non-member per Western's General Power Contract Provisions. Resale by a non-utility or a utility to a non-member would be a violation of Western's General Power Contract Provisions; however Western does permit the sale of firm power to a utility's member systems in recognizing the structure of joint action agencies and rural electric generation and transmission cooperatives.

Response: Criterion D is one of several criteria intended for the purpose of determining general eligibility of the applicant and is not intended to fully describe resale. Western agrees that the prohibition of resale, by a non-utility or utility, is addressed in Western's General Power Contract Provisions which are required under the General Contract Principles, Principle E.

Comment: Western received a comment that contract provisions for new Post-2010 Resource Pool firm power customers should be identical to the terms and conditions of existing firm power customers and in considering applications and making new allocations, Western must act within existing laws and regulations. Also, if withdrawals are made for future resource pools, reductions should be applied to all firm power contract holders.

Response: Western agrees that any new allocation made from the Post-2010 Resource Pool must comply with existing laws, regulations, and guidelines, as well as contract terms and conditions applied to allocations made in previous marketing initiatives under the Program. There are no future resource pools for the Program in the P–SMBP—ED. Withdrawals for future resource pools are outside the scope of this process.

Comment: Western received a comment that in no event should Western use "appropriate purposes" to attempt to legislate new policy regarding eligibility requirements for receiving firm power allocations.

Response: Western is not proposing to use a share of the Post-2010 Resource Pool for other appropriate purposes.

Comment: Western received several comments pertaining to Western granting exceptions or waivers to various General Eligibility Criteria for individual applicants.

Response: If Western were to consider individual exceptions or waivers to the Post-2010 Allocation Procedures, all entities would need to be afforded the opportunity to submit new applications. Western would expect to receive many new applications with significant requests for granting individual waivers or exceptions. This process would undermine Program consistency, and may not be supportable by existing laws and regulations or the power available in the Post-2010 Resource Pool. Western will not grant exceptions or waivers to the Final Post-2010 Resource Pool Allocation Procedures in determining which entities are eligible for an allocation of power.

Final Post-2010 Resource Pool Allocation Procedures

I. Amount of Pool Resources

Western will allocate up to 1 percent (approximately 20 megawatts) of the P–SMBP—ED long-term firm hydroelectric resource available as of January 1, 2011, as firm power to eligible new preference customers. Firm power means capacity and associated energy allocated by Western and subject to the terms and conditions specified in the Western electric service contract.

II. General Eligibility Criteria

Western will apply the following General Eligibility Criteria to applicants seeking an allocation of firm power under the Post-2010 Resource Pool Allocation Procedures.

A. All qualified applicants must be preference entities as defined by section 9(c) of the Reclamation Project Act of 1939 (43 U.S.C. 485h(c)), as amended and supplemented.

B. All qualified applicants must be located within the currently established P–SMBP—ED marketing area.

C. All qualified applicants must not be currently receiving benefits, directly or indirectly, from a current P–SMBP—ED firm power allocation or other firm Federal power commitment. Qualified Native American applicants, who did not receive an allocation from the Post-2000 or Post-2005 Resource Pools, are not subject to this requirement.

D. Qualified utility and non-utility applicants must be able to use the firm power directly or be able to sell it directly to retail customers.

E. Qualified utility applicants that desire to purchase power from Western for resale to consumers, including cooperatives, municipalities, public utility districts, and public power districts must have met utility status by January 1, 2008. Utility status means the entity has responsibility to meet load growth, has a distribution system, and is ready, willing, and able to purchase Federal power from Western on a wholesale basis.

F. Qualified Native American applicants must be an Indian tribe as defined in the Indian Self Determination Act of 1975, 25 U.S.C. 450b, as amended.

III. General Allocation Criteria

Western will apply the following General Allocation Criteria to applicants seeking an allocation of firm power under the Post-2010 Resource Pool Allocation Procedures.

A. Allocations of firm power will be made in amounts as determined solely by Western in exercise of its discretion under Federal Reclamation Law.

B. An allottee will have the right to purchase such firm power only upon executing an electric service contract between Western and the allottee, and satisfying all conditions in that contract.

C. Firm power allocated under these procedures will be available only to new preference customers in the existing P–SMBP—ED marketing area. The marketing area of the P–SMBP—ED is Montana (east of the Continental Divide), all of North Dakota and South Dakota, Nebraska east of the 101° meridian, Iowa west of the 94½° meridian, and Minnesota west of a line on the 94½° meridian from the southern boundary of the state to the 46° parallel and then northwesterly to the northern boundary of the state at the 96½° meridian.

D. Allocations made to Native American tribes will be based on the actual load experienced in calendar year 2007. Western has the right to use estimated load values for calendar year 2007 should actual load data not be available. Western will adjust inconsistent estimates during the allocation process.

E. Allocations made to qualified utility and non-utility applicants will be based on the actual loads experienced in calendar year 2007. Western will apply the Post-1985 Marketing Plan and the Program criteria to these loads. Western will carry forward key principles and criteria established in the Post-2000 and Post-2005 Resource Pools, except as modified herein.

F. Energy provided with firm power will be based upon the customer's monthly system load pattern.

G. Any electric service contract offered to a new customer shall be executed by the customer within 6 months of a contract offer by Western, unless otherwise agreed to in writing by Western.

H. The resource pool will be dissolved subsequent to the closing date of the last qualified applicant to execute their respective firm electric service contract. Firm power not under contract will be used in accordance with the Program.

I. The minimum allocation shall be 100 kilowatts (kW).

J. The maximum allocation for qualified utility and non-utility applicants shall be 5,000 kW.

K. Contract rates of delivery shall be subject to adjustment in the future as provided for in the Program.

L. If unanticipated obstacles to the delivery of hydropower benefits to Native American tribes arise, Western retains the right to provide the economic benefits of its resources directly to these tribes.

IV. General Contract Principles

Western will apply the following General Contract Principles to all applicants receiving an allocation of firm power under the Post-2010 Resource Pool Allocation Procedures.

A. Western shall reserve the right to reduce a customer's summer season contract rate of delivery by up to 5 percent for new project pumping requirements, by giving a minimum of 5 years' written notice in advance of such action.

B. Western, at its discretion and sole determination, reserves the right to adjust the contract rate of delivery on 5 years' written notice in response to changes in hydrology and river operations. Any such adjustments shall only take place after a public process by Western.

C. Each allottee is ultimately responsible for obtaining its own third-party delivery arrangements, if necessary. Western may assist the allottee in obtaining third-party transmission arrangements for the delivery of firm power allocated under these procedures to new customers.

D. Contracts entered into under the Post-2010 Resource Pool Allocation Procedures shall provide for Western to furnish firm electric service effective from January 1, 2011, through December 31, 2020.

E. Contracts entered into as a result of these procedures shall incorporate Western's standard provisions for power

sales contracts, integrated resource planning, and the General Power Contract Provisions.

Post-2010 Resource Pool Procedures Requirements

Environmental Compliance

Western completed an Environmental Impact Statement on the Program (DOE/EIS–0812), pursuant to the National Environmental Policy Act of 1969, 42 U.S.C. 4321–4347 (2007), as amended and supplemented, (NEPA). The Record of Decision was published in the **Federal Register** on October 12, 1995 (60 FR 53181). Western's NEPA review assured all environmental effects related to these actions have been analyzed.

Dated: April 28, 2009.

Timothy J. Meeks,

Administrator.

[FR Doc. E9–10319 Filed 5–4–09; 8:45 am]

BILLING CODE 6450–01–P

ENVIRONMENTAL PROTECTION AGENCY

[FRL–8900–6]

Cross-Media Electronic Reporting Rule State Authorized Program Revision/Modification Approvals: State of Delaware

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: This notice announces EPA's approval, under regulations for Cross-Media Electronic Reporting, of the State of Delaware's request to revise/modify programs to allow electronic reporting for certain of their EPA-authorized programs.

DATES: EPA's approval is effective May 5, 2009.

FOR FURTHER INFORMATION CONTACT: Evi Huffer, U.S. Environmental Protection Agency, Office of Environmental Information, Mail Stop 2823T, 1200 Pennsylvania Avenue, NW., Washington, DC 20460, (202) 566–1697, *huffer.evi@epa.gov*, or David Schwarz, U.S. Environmental Protection Agency, Office of Environmental Information, Mail Stop 2823T, 1200 Pennsylvania Avenue, NW., Washington, DC 20460, (202) 566–1704, *schwarz.david@epa.gov.*

SUPPLEMENTARY INFORMATION:

On October 13, 2005, the final Cross-Media Electronic Reporting Rule (CROMERR) was published in the **Federal Register** (70 FR 59848) and codified as part 3 of title 40 of the CFR. CROMERR establishes electronic reporting as an acceptable regulatory alternative to paper reporting and establishes requirements to assure that electronic documents are as legally dependable as their paper counterparts. Under subpart D of CROMERR, State, tribal or local government agencies that receive, or wish to begin receiving, electronic reports under their EPA-authorized programs must apply to EPA for a revision or modification of those programs and get EPA approval. Subpart D provides standards for such approvals based on consideration of the electronic document receiving systems that the state, tribe, or local government will use to implement the electronic reporting. Additionally, in 3.1000(b) through (e) of 40 CFR part 3, subpart D provides special procedures for program revisions and modifications to allow electronic reporting, to be used at the option of the State, tribe or local government in place of procedures available under existing program-specific authorization regulations. An application submitted under the subpart D procedures must show that the State, tribe or local government has sufficient legal authority to implement the electronic reporting components of the programs covered by the application and will use electronic document receiving systems that meet the applicable subpart D requirements.

On August 21, 2008, the State of Delaware Department of Natural Resources and Environmental Control (DEDNREC) submitted an application for their Online Reporting System (ORS) electronic document receiving system for revision or modification of EPA-authorized programs under 40 CFR parts 51, 60, 122, and 271. EPA reviewed DEDNREC's request to revise/modify their EPA-authorized programs and, based on this review, EPA determined that the application met the standards for approval of authorized program revisions/modifications set out in 40 CFR part 3, subpart D. In accordance with 40 CFR 3.1000(d), this notice of EPA's decision to approve DEDNREC's request for revision/modification to certain of their authorized programs is being published in the **Federal Register**.

Specifically, EPA has approved DEDNREC's request for revisions/modifications to the following of their authorized programs to allow electronic reporting under 40 CFR parts 51, 61, 122, 261–265:

- Part 51—Requirements for Preparation, Adoption, and Submittal of Implementation Plans;
- Part 60—Standards of Performance for New Stationary Sources;
- Part 123—National Pollutant Discharge Elimination System (NPDES) State Program Requirements; and
- Part 271—Requirements for Authorization of State Hazardous Waste Programs.

DEDNREC was notified of EPA's determination to approve its application with respect to the authorized programs listed above in a letter dated April 23, 2009.

Dated: April 23, 2009.

Lisa Schlesser,

Director, Office of Information Collection.

[FR Doc. E9–10332 Filed 5–4–09; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL MEDIATION AND CONCILIATION SERVICE

Labor-Management Cooperation Program Act of 1978 (Pub. L. 95–524)

AGENCY: Federal Mediation and Conciliation Service.

ACTION: Publication of Final Fiscal Year 2009 Program Guidelines/Application Solicitation for Labor-Management Committees.

SUMMARY: The Federal Mediation and Conciliation Service (FMCS) is publishing the final Fiscal Year 2009 Program Guidelines/Application Solicitation for the Labor-Management Cooperation Program. The program is supported by Federal funds authorized by the Labor-Management Cooperation Act of 1978, subject to annual appropriations. This Solicitation contains a change in the deadline for accepting applications.

The National Council of EEOC Locals No. 216 submitted a comment in response to the draft filing which was published in the **Federal Register** on March 20, 2009, [*Volume 74, Number 3 (Pages 11948–11952)*]. The Locals No. 216 has not applied for a grant because it was ineligible to do so under FMCS regulations *[FY2009 Program Guidelines/Application Solicitation for Labor Management Committees (Section (C) Eligibility, Page 9)]*. Its comments involve that regulation. Locals No. 216 has requested in effect that FMCS allow Federal agencies to apply for an FMCS grant. We have carefully considered the comment, and understand that implementation of the change requested would increase the likelihood of grant acceptance for the Equal Employment Opportunity Commission (EEOC). However, FMCS is not able to adopt the requested changes due to OMB regulations *[OMB Circular A–102, Grants and Cooperative Agreements*

Heartland News

06.12.2009
Colman homeowner to receive Extreme Energy Makeover

05.01.2009
View Dusty Johnson's Keynote

04.14.2009
Heartland Breaks Ground on LEED Certified Platinum Building

03.31.2009
Heartland announces Extreme Energy Home Makeover

Wessington Springs
Wind Energy Generation

- Big Stone II
- Cooper Nuclear Station
- Laramie River Station
- **Wessington Springs Wind Farm**
- Whelan 2

The Power of Forward Thinking

Wessington Springs Wind Energy Generation

2.5 MW (WIND)

The Wessington Springs Wind Farm, a 51 megawatt wind project near Wessington Springs, South Dakota, has been online since March of 2009.

Heartland signed a Renewable Energy Purchase Power Agreement in 2007 with Babcock & Brown, a global investment firm, to purchase the full output of the project. Construction of the 34-turbine wind farm began in the spring of 2008 and was completed in time for a Grand Opening in October of 2008.

With the addition of the wind farm to our power supply portfolio, we have shown our commitment to meeting the Renewable Energy Objective for the State of South Dakota and the Renewable Energy Standard for the State of Minnesota.

Project Background

- Project Size: 51 megawatts
- Expected Annual Production: 213 MWh
- Estimated Electricity Production: Equivalent to 17,498 residential homes
- Location: Wessington Springs, SD
- Landowners: 8
- Project Owner, Operator and Manager: Babcock & Brown
- Total Project Acreage: 3,500 (approximate)

Wind Turbine Data

- Number of Turbines: 34
- Turbine Size: 1.5 megawatts
- Turbine Manufacturer: GE
- Tower Height: 80 meters (262 feet)
- Rotor Diameter: 77 meters (253 feet)

WED. JUNE 24, 2009

Boiler update may cost $5 million less than planned

Sa...gs would be in not installing some advanced pollution control equipment

By Ron Larsen
Staff Writer

NEW ULM — A ruling from the U.S. Environmental Protection Agency on whether the modifications needed to convert Boiler No. 4 to burn coal and biofuel instead of natural gas can be considered "routine maintenance, repair and replacement should be imminent," Planning and Development Engineer Pat Wrase told the New Ulm Public Utilities Commission Tuesday.

"Examination of the existing permit for the Boiler No. 4 has found that if major modifications are not implemented and the boiler is modified minimally in order to simply repair items that have suffered from deferred maintenance, it may be possible to meet emissions regulations for the [Powder River Basin] coal utilization project with only the installation of a baghouse for the removal of particulate matter," Wrase reported.

"This minor work would be considered 'routine maintenance, repair and replacement," he said.

Consequently, the initial estimate of the capital cost reduction for the project — if the reduced permitting strategy is accepted — is approximately $5 million, Wrase said.

As Director Gary Gleisner noted, the savings would be in not having to install some of the advanced pollution control equipment.

The commission also adopted an appendix to the City of New Ulm/Public Utilities Commission Personnel Policy Manual that is titled "Appendix N Driver's License Retention Policy."

Basically, the policy outlines the potential pun-

Boiler

Continued on page 7A

Boiler

From page 1A

ishment for a PUC employee whose job requires that the employee needs a driver's license to perform assigned duties will be in for if that employee's license is suspended for any reason.

"The issue is that they get one shot, but if it happens a second time, they're out," City Manager Brian Gramentz told the commission.

As the utility nears the mid-point of its fiscal year, the utility's net margin through five months trails the net margin in 2008 by $32,268. However, the net margin after in lieu of taxes this year, $891,975, is nearly $30,000 ahead of budget, as was last year's net margin of $924,243.

Ron Larsen can be reached at rlarsen@nujournal.com

LONG-TERM POWER COMMITTEE

October 24, 2006 – 4:00 p.m.

Present were: Public Utilities Commissioner Hogen; Public Utilities Director Gleisner; City Attorney Nierengarten; Customer Service Coordinator Fischer; City Manager Gramentz; and Utility Planning and Development Engineer Wrase and Finance Director Vorwerk. Absent were City Councilor Beranek, City Councilor Webster, and Public Utilities Commissioner Hendel.

Public Utilities Director Gleisner made a motion to approve the minutes of September 26, 2006, meeting and City Manager Gramentz seconded the motion. Motion passed.

Utility Engineer Wrase reported to the Commission that the Power Supply Alternatives Project is under budget and Director Gleisner followed with a brief history of the Committee's progress to this point.

John Yost and Tony Lunardini, representatives from Sargent and Lundy, then made their presentation regarding generation resources. Their load and demand forecasts indicate that New Ulm's electric sales and peak demands will grow at a rate of 0.2-0.3% per year and that if our existing combustion turbines remain in service, only 10 mega watts of new capacity will be required to meet our demands through the 2030 study period.

The lowest cost option is adding 33.5 MW of wind power, however, wind is not available a large portion of the time, exposing the utility to open fluctuating market costs. The next lowest cost option is adding an additional 10 MW of new combustion turbines to the existing CT's in service. However, the CT's would again require purchasing the majority of our power needs on the market.

The study also showed that sharing a 250 MW coal/biomass-fired generating unit with other utilities was the lowest cost energy supply option but that depended on the availability of this type of project. Converting Boiler #4 to a 15 MW coal/biomass unit would provide low-cost steam at only 2% more than the 250 MW option.

Following the presentation, the Committee and Sargent and Lundy staff answered questions from the audience. Three residents, Tom Furth, Ron Fleischmann, and Mark Lindquist questioned and received answers regarding the size of a wind farm, the future of the downtown steam system, transmission costs, renewable requirements, carbon costs and demand side management.

The Committee then reviewed the Selection Criteria that had been put in ranking order by the PUC staff members. With #1 being the most important, the list included:

1. Annualized cost of the generation alternative;
2. Extent that alternative provides for system redundancy;

3. Overall economic impact to the community;
4. Overall efficiency of the power supply options and degree to which project maintains co-generation obligations; and
5. Extent that alternative reduces reliance on fossil fuels and utilizes 'green' energy sources.

The Committee will discuss the options at their November meeting. It is planned to have the Public Utilities Commission adopt a final resolution for recommendation to the New Ulm City Council at their December or January meeting, with City Council action to allow implementation of the selected alternative(s) by the end of February 2007.

Utility Engineer Wrase updated the Committee on the Request for Proposals for full electrical power contracts that were sent out to 25 companies. Of the seven notices of intent to submit, only three actual proposals were received and only one of those showed estimated costs in the future. In addition, Xcel has indicated there can be an annual renewal of the current contract. This information will be studied in conjunction with the Sargent and Lundy proposals.

Customer Service Coordinator Fischer reported that we have used the local newspaper, radio, and cable television in an effort to get information on the Committee's work out to the residents. Also planned is a Hot Topics Breakfast with the Chamber of Commerce and the League of Women Voters are interested in another event. A key accounts meeting is also being planned. The Sargent and Lundy study will be put on the website when it is finalized.

The next Committee meeting has been rescheduled to Monday, November 21, 2006 at 4:00 p.m. in the PUC Conference Room. This is a change from the normal meeting date.

The meeting was adjourned at 5:16 p.m.

LONG-TERM POWER COMMITTEE

November 21, 2006 – 4:00 p.m.

Present were: Public Utilities Commissioner Hogen; Public Utilities Commissioner Hendel; Public Utilities Director Gleisner; City Attorney Nierengarten; City Councilor Beranek,; City Councilor Webster; Customer Service Coordinator Fischer; City Manager Gramentz; Utility Planning and Development Engineer Wrase and Finance Director Vorwerk.

Public Utilities Commissioner Hendel made a motion to approve the minutes of the September 26, 2006, meeting and Councilor Beranek seconded the motion. Motion passed.

Utility Engineer Wrase recapped the recommendations from Sargent and Lundy including:

1 Continue to operate and maintain the existing combustion turbines even if you elect to sign a long-term full resource contract.
2 Evaluate the proposals submitted in response to NUPUC's request for proposal for full-resource electrical supply and compare them to the resource options provided in this study.
3 Pursue development and self-build or ownership interest in 9 MW of wind power to meet Minnesota's recommendation for a 10% renewable portfolio.
4 If full resource options do not provide sufficient economic benefits, pursue the partial resource option with wind and possibly the Boiler 4 conversion to coal.

The full requirements request for proposals resulted in one power provider indicating in preliminary discussions that they would be willing to work with us having our own resources, even with a full capacity contract. They are analyzing our #4 unit and talks will continue. It is also possible that we could use #4 for peak shaving.

The preliminary decision schedule for this process has the PUC Commission making a recommendation to the City Council at one of their January or February 2007 meetings.

A worksheet of resource portfolios was distributed at the meeting that had been scored by the staff based on the Committee's "selection criteria." The Committee proceeded down the listing noting which options they thought could be eliminated noting that nothing is absolutely ruled out at this point.

The three resource options kept for further consideration included using a mix of our own turbine generation, power providers, wind power and peak shaving. Options that were selected for future review are as follows:

Portfolio 2A includes keeping existing CT's, adding 9 MW of wind (10% RPS) and a power provider contract;

Portfolio 3A includes keeping existing CT's, power provider contract, peak shaving with CT's (peak shave according to S&L analysis), and 9MW wind:

And Portfolio 4B was actually broken into two choices with the first one including keeping existing CT's, power provider contract, peak shaving with CT's and Boiler #4 conversion to coal (peak shave according to S&L analysis, and 9 MW wind and the second option being keeping existing CT's, power provider contract, power provider operating Boiler #4 conversion to coal, and 9 MW wind.

All options calling for 18 MW of wind, which is approximately 20% of our power needs, were eliminated because of the exposure to high market risk on the days when there is no wind.

The question of why you would not want peak shaving in the mix was raised and Utility Engineer Wrase responded that that is more a question of whether your power provider is willing to let you do this while under contract with them. Staff members hope to discuss this with the power provider from the RFP again before the committee's next meeting.

The next meeting was planned for Tuesday, December 5 at 4:00 p.m. in the PUC Conference Room again. The meeting is planned to last approximately 60-90 minutes. It is hoped that a recommendation could go to the December PUC Commission meeting.

Meeting was adjourned at 5:15 p.m.

LONG-TERM POWER COMMITTEE

December 5, 2006 – 4:00 p.m.

Present were: Public Utilities Commissioner Hogen; Public Utilities Commissioner Hendel; Public Utilities Director Gleisner; City Attorney Nierengarten; City Councilor Beranek,; City Councilor Webster; Customer Service Coordinator Fischer; City Manager Gramentz; Utility Planning and Development Engineer Wrase and Finance Director Vorwerk.

Councilor Beranek made a motion to approve the minutes of the November 21, 2006, meeting and Commissioner Hendel seconded the motion. Motion passed.

Utility Engineer Wrase noted that the decision schedule was again listed on the agenda and moved on to review the four portfolios recommended for further study from the November 21st meeting.

Wrase updated the Committee on the most recent talks with the possible power provider. The provider has determined that there is value in purchasing power from Unit #4 if it is converted to coal and they are willing to discuss sharing the profits with the New Ulm Public Utilities. At this point in time, we have not discussed peak shaving with the provider. A representative from the provider will be in New Ulm tomorrow afternoon to meet with staff.

The decision of whether to convert Unit #4 to coal is influenced by whether or not the steam system is kept in place and the consensus of the Committee is that there is value to the steam system and it should be kept.

Benefits of converting to coal were noted including:

Maintaining steam system for two large industrial and 104 low pressure system customers;

The 1996 Streetscape project rebuilt the low-pressure distribution system;

High-pressure lines were upgraded in 2005;

Cogeneration improved plant efficiency;

There is the potential for co-firing with biomass;

Experienced staff;

Brick and mortar owned outright;

System is in place;

Possible profits from market sales;

Ability to reduce transmission costs; and the

Additional electric rate reduction through steam sales, less 5% in lieu of taxes to City.

Concerns over converting to coal included:

Significant capital investment;

Environmental issues;
Ash disposal process;
Location adjacent to German Park; and the
Logistics of coal delivery.

An audience member questioned whether the costs for carbon emissions were included in the Sargent and Lundy estimates. Utility Engineer Wrase responded that since there currently are no requirements, there really is no accurate way to include costs. As the EPA adds regulations in the future, all plants will have to deal with those costs. Councilor Webster noted that she has had people talking to her wondering about coal dust blowing through the city.

City Attorney Nierengarten asked what the staff recommendation would be. Director Gleisner said that he would recommend the 4B' option because it would keep New Ulm from putting all their eggs in one basket. Utility Engineer Wrase concurred. They believe this to be the most cost effective choice available to New Ulm.

Commissioner Hogen then asked if the Committee had any direction to the staff on how to proceed following this meeting. Councilor Webster made a motion to direct staff to continue the process of reviewing Portfolio 4B' which included keeping the existing CT's, Power Provide Contract, Power Provider operating Boiler #4 after conversion to coal/biomass and 9 MW of wind (10% RPS). Commissioner Hendel seconded the motion and the motion passed.

Councilor Beranek noted that the terms of Commissioners Hendel and Hogen are up at the end of this year and he wondered what needed to be done to keep their experience on the Committee. It will be up to the new PUC after the first of the year to appoint members to serve on the Committee.

The next meeting will be Tuesday, December 26 at 4:00 p.m.

The meeting adjourned at 5:15 p.m.

PUBLIC UTILITIES COMMISSION
DECEMBER 26, 2006 ~ 7:00 P.M.

The **REGULAR MEETING** of the Public Utilities Commission of the City of New Ulm, Brown County, Minnesota was duly called and held in the City Hall Council Chambers, on the 26th day of December 2006 at 7:00 p.m. Present at said meeting was Commissioners Hendel, Fix, Lynn, Schuetzle and President Hogen. Also present at said meeting were Director Gleisner, City Manager Gramentz, Asst. City Attorney Nierengarten, Asst. City Clerk-Treasurer Schaefer and Utilities Planning & Development Engineer Wrase.

Commissioner Fix moved to approve the minutes from the Regular Public Utilities Commission Meeting held on November 28, 2006. The motion was duly seconded by Commissioner Lynn and passed by the unanimous vote of all members.

A public hearing was then held on the **WELLHEAD PROTECTION PLAN** final comments on Part II to comply with Minnesota Rule 4720.5330, subpart 7. Terry Bovee, Minnesota Department of Health, appeared to state he felt the plan is good and should be sent to St. Paul Office. We should expect an approval by end of March early April. Commissioner Schuetzle moved to close the public hearing in the final Wellhead Protection Plan and authorize staff to submit the final Wellhead Protection Plan to the State of Minnesota Department of Health. The motion was duly seconded by Commissioner Lynn and passed by unanimous vote of all members.

Commissioner Hendel moved to receive and order filed the report from the Director of Utilities regarding utility operations during the month of December 2006. Director Gleisner reviewed the report and thanked Bob Hinnenthal, George Schimmele and Wayne Klassen whose terms expire December 31, 2006 for their dedication to the Energy Awareness Commission and recognized the following individual as "Employee of the Month":

- **Scott Schaefer, Asst. City Clerk-Treasurer City Clerk-Treasurer's Office**

The motion was duly seconded by Commissioner Lynn and passed by the unanimous vote of all members.

Commissioner Hendel moved to receive and order filed the report from Long Term Power Committee directing staff to begin implementation of Portfolio Electric Resource Option 4B' which includes

1. keep existing Combustion Turbines
2. convert Boiler No 4 to coal/bio-mass fuel
3. contract with Power Provider for electric needs
4. contract with Power Provider to purchase generation from Boiler No. 4 conversion to coal/bio-mass
5. development/contract of 9+MW Wind (10% RPS).

The motion was duly seconded by Commissioner Schuetzle and passed by the unanimous vote of all members.

(1)

National Wind Watch

December 27, 2006
Minnesota, News

PUC approves budget, picks sites

The New Ulm Public Utilities Commission Tuesday approved a $41.3 million budget for 2007, narrowed the water tower site selection to three sites and authorized $200,000 in pre-development costs for converting the No. 4 boiler to coal/biomass fuel and developing a nine-Megawatt wind farm.

Highlights of the new budget include $41,330,403 in operating revenue, less operating expenses totaling $41,220,229 for a net income of $1,093,165. The $699,665 increase in unrestricted cash provides a projected cash balance of $10,093,495 — a 27 percent of operating expenses. The budget features a debt service ratio of 2.04 times.

NUPU staff recommended site selection for a new home for the elevated water tower at Hermann Heights be narrowed to sites 5 and 6 from the sites recommended by Bolton & Menk consulting engineers.

Those two sites are on either side of Seventh North Street, otherwise known as old County State Aid Highway 27, west of North Highland Avenue, near the new Kids Xcel day care and learning center. However, during discussion, President James Hogen urged the commission to also consider Site 3, which is on New Ulm Diocesan property on the east side of North Highland Avenue.

After some discussion, motion was made to approve the three-site area as the location of the new elevated water tower that is to replace the water tower and ground storage tank at Hermann Heights. Staff was authorized to begin negotiations to acquire property for future development as a water storage site.

With the course for a long-term power solution set, the commission authorized spending up to $200,000 for planning and project development and related costs including feasibility studies for developing a nine Megawatt Wind Farm option, as well as converting the NUPU's No. 4 boiler from using natural gas as fuel to the use of coal and/or biomass materials. The two projects are expected to cost over $20 million to build.

The commission also approved a letter of intent, with legal review, between NUPU and Heartland Consumers Power District to enter into a long-term contract for having Heartland, which is based in South Dakota, become NUPU's primary power supplier for the future, replacing Xcel Energy.

In other action, the commission:

n Approved after considerable debate a revised per lot fee for electric infrastructure installation of electric service in new subdivisions.

Beginning Jan. 1, developers must pay a $1,500 per lot fee to help cover the cost of the infrastructure installation. That fee then will increase to $2,500, starting Jan. 1, 2008. The $350 charge for bringing a line in from the street or alley still would be paid at the time the building permit is issued.

At the present time, the fee totaled $750 with $400 being paid at the time of platting and the $350 paid at the time a building permit was issued. Hogen and Director Gary Gleisner said the utility could not recoup its costs with such a low fee.

n Gave staff approval to submit its wellhead protection program to the state for ratification after a brief public hearing.

n Adopted a general wage increase of 3 percent for 2007 for regular, full-time, non-unionized PUC employees.

n Authorized application to Minnesota Public Facilities Authority for a loan from Drinking Water Fund/Water Pollution Control revolving fund for improvements to municipal wastewater treatment system and delayed enforcement for compliance with wastewater pH limitations from Feb. 1, 2007 to Aug. 1, 2007.

By Ron Larsen

Journal Staff Writer

nujournal.com [1]

URLs in this post:
[1] nujournal.com: **http://www.nujournal.com/News/articles.asp?articleID=5249**

This article is provided as a service of National Wind Watch, Inc.
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PUBLIC UTILITIES COMMISSION
JANUARY 23, 2007 ~ 7:00 P.M.

The **ANNUAL MEETING** of the Public Utilities Commission of the City of New Ulm, Brown County, Minnesota was duly called and held in the City Hall Council Chambers, on the 23rd day of January 2007 at 7:00 p.m. Present at said meeting was Commissioners Fix, Lynn, Melville, and Schuetzle. Also present at said meeting were Director Gleisner, City Manager Gramentz, Assistant City Attorney Nierengarten and Assistant City Clerk-Treasurer Schaefer.

Assistant City Attorney Nierengarten conducted the OATH OF OFFICE for appointed Commissioner *Norman Melville.*

The Commission considered the ELECTION OF OFFICERS for the Public Utilities Commission for the 2007 calendar year. Commissioner Schuetzle moved to elect David Lynn as President. The motion was duly seconded by Commissioner Fix and passed by the unanimous vote of all members present with Commissioner Lynn abstaining from the vote.

Commissioner Fix moved to elect James Schuetzle as Vice President. The motion was duly seconded by Commissioner Melville and passed by the unanimous vote of all members present with Commissioner Schuetzle abstaining from the vote.

Commissioner Schuetzle moved to approve the minutes from the Regular Public Utilities Commission Meeting held on December 26, 2006. The motion was duly seconded by Commissioner Fix and passed by the unanimous vote of all members present.

Commissioner Fix moved to receive and order filed the report from the Director of Utilities regarding utility operations during the month of January 2007. Director Gleisner reviewed the report. The motion was duly seconded by Commissioner Schuetzle and passed by the unanimous vote of all members present.

The Utility Accountant Kris Manderfeld presented a brief overview of the PUC Finance Department operations which include Accounting and Material Distribution Center.

The Power Systems Engineer Doug Larson presented the Natural Gas Purchased Gas Adjustment Methodology.

Commissioner Schuetzle moved to approve the changes to the Natural Gas Purchased Gas Adjustment calculation effective with the February 2007 utility billing. The motion was duly seconded by Commissioner Fix and passed by the unanimous vote of all members present.

Commissioner Fix moved to approve requesting the City Council to amend ordinance to allow forgiveness of penalties on utility bills in limited situations. The motion was duly seconded by Commissioner Melville and passed by the unanimous vote of all members present.

Commissioner Schuetzle moved to appoint Susan Fix to serve on the Energy Awareness Committee. The motion was duly seconded by Commissioner Melville and passed by the unanimous vote of all members present.

Commissioner Fix moved to appoint David Lynn and Jim Schuetzle to serve on the Personnel Committee. The motion was duly seconded by Commissioner Melville and passed by the unanimous vote of all members present.

Commissioner Schuetzle moved to appoint Norman Melville and Susan Fix to serve on the Long Term Power Committee. The motion was duly seconded by Commissioner Lynn and passed by unanimous vote of all members present.

Commissioner Schuetzle moved to appoint David Lynn to represent the Public Utilities Commission in review of the City of New Ulm Comprehensive Plan. The motion was duly seconded by Commissioner Melville and passed by the unanimous vote of all members present.

Commissioner Melville moved to appoint former Public Utility Commissioner James Hogen and Tom Hendel to the Long Term Power Committee. The motion was duly seconded by Commissioner Fix and passed by unanimous vote of all members present.

Commissioner Schuetzle moved to authorize the City Manager to prepare Request for Proposals and advertise for bids to obtain wind turbine generators. The motion was duly seconded by Commissioner Melville and passed by unanimous vote of all members present.

Commissioner Schuetzle moved to authorize staff to initiate discussions, negotiate to obtain options with property owners for sites for the installation and construction of the wind turbine generators. The motion was duly seconded by Commissioner Fix and passed by unanimous vote of all members present.

Commissioner Fix moved to authorize staff to negotiate to acquire property needed to facilitate the construction of the Cottonwood Area Water Booster Station. The motion was duly seconded by Commissioner Melville and passed by unanimous vote of all members present.

Commissioner Schuetzle moved to authorize the City Manager to award a contract for provision of boiler and machinery breakdown insurance for the two PUC power generation facilities, effective February 7, 2007, based on an evaluation of proposals submitted including terms, conditions and costs that are in the best interest of the PUC. The motion was duly seconded by Commissioner Fix and passed by unanimous vote of all members present.

Commissioner Schuetzle moved to receive the REPORT OF CLAIMS PAID as presented by President Lynn in the amount of $576,832.47. The motion was duly seconded by Commissioner Fix and passed by the unanimous vote of all members present.

Commissioner Schuetzle moved to receive and order paid the REPORT OF CLAIMS TO BE PAID as presented by President Lynn in the amount of $360,690.82. The motion was duly seconded by Commissioner Fix and passed by the unanimous vote of all members present.

Commissioner Schuetzle moved to suspend the rules for action on the addendum. The motion was duly seconded by Commissioner Melville and passed by the unanimous vote of all members present.

Commissioner Schuetzle moved to authorize the City Manager to prepare Request for Proposal (RFP) to deliver wind generated electrical power to the City of New Ulm. The motion was duly seconded by Commissioner Fix and passed by unanimous vote of all members present.

COMMISSIONER'S COMMENTS:

- Commissioner Schuetzle welcomes Norman Melville.

The Commission thereupon adjourned at 8:30 p.m.

Scott J. Schaefer
Secretary-PublicUtilities Commission

Approved February 20, 2007

David Lynn, President
Public Utilities Commission

LONG-TERM POWER COMMITTEE

February 27, 2007 – ~~4:00~~ p.m.

Present were: Public Utilities Commissioner Melville; Public Utilities Commissioner Fix; Public Utilities Director Gleisner; City Attorney Nierengarten; City Councilor Beranek,; Citizen Appointee Hendel; Customer Service Coordinator Fischer; City Manager Gramentz; Utility Planning and Development Engineer Wrase and Finance Director Vorwerk. Absent were City Councilor Ruth Webster and Citizen Appointee Hogen.

Appointee Hendel made a motion to approve the minutes of the December 26, 2006, meeting and Commissioner Fix seconded the motion. Motion passed.

It was the consensus of the committee that the new Public Utilities Commission Co-Chair of the Long Term Power Committee be Commissioner Fix. She will replace former Commissioner Hogen who, along with former Commissioner Hendel, is now a Citizen Appointee member of the Committee. The New Ulm Public Utilities Commission approved these appointments at their January 23, 2007 meeting.

There has been no change on the Power Supply Alternative Project since the Sargent and Lundy report of December 31, 2006. There is approximately $18,000 left of the budgeted amount for this study left and it will be used towards a refueling feasibility analysis to be discussed below.

On January 11, 2007 the signed letter of intent with Heartland Consumers Power District was received. Staff continues to negotiate the #4 busbar cost payments, the possibility of a local wind project to meet our renewable sources requirements and the sale of excess generating capacity after June 1, 2007, when it is no longer needed for our Xcel contract. Staff expects to complete negotiations within two months.

Staff members visited the Cargill plant in Eddyville, Iowa on January 9 to see how their operation is run. Their plant is much larger but the process is very similar to what we are looking at.

Earth Tech has documented that emissions trading will not be required for boiler #4. This improves the financials of the Boiler #4 significantly. It was decided to move forward with the next steps toward implementation. Sargent and Lundy will be doing a feasibility analysis of the conversion of the #4 boiler to burn Powder River Basin coal.

Earth Tech will be conducting air permitting and the Environmental Assessment Worksheet (EAW) for the Boiler #4 conversion. Even though the size of this project does not require an EAW it was decided to move forward with the voluntary study in case any questions arise later on in the project.

As a result of DM&E not receiving their low cost federal loan for expansion, the price and availability of coal is unknown at this point. DM&E has stated that they will explore other options to get funding.

Staff members have visited with LJP, a processed refuse supplier, about the possibility of using their processed refuse as fuel in the boiler. They have offered to pay us $20 a ton to take this fuel to burn. Obviously, this would help decrease the cost of running the boiler. Up to 30% of the fuel could be burned and still keep the boiler classification.

Citizen Appointee Hendel questioned whether it would be worthwhile to burn 100% RDF and become a licensed incinerator rather than boiler operation. The City Manager noted that he has read in the past that there could be problems with steam fluctuations with a total RDF system. Staff will look into the possibility of a 100% RDF process.

Commissioner Melville asked that a milestone schedule be prepared to help the Committee. Staff stated that a project schedule will be developed.

Staff members will be working with Sargent and Lundy on the OEM study, continue to work on the air permit, the EAW and construction.

The staff has done preliminary analysis of whether or not a local wind project would be feasible and it appears that a project by the Fort Ridgely substation would be. Gary and Pat have an approximate per kw hour cost basis computed and will see if the RFP's that are currently out for purchasing wind energy beat this proposed cost estimate. The RFP information should be ready for next month's meeting.

Staff will check into whether the power plant retrofit will qualify for a sales tax exemption. In the past we have paid the tax up front and then filed for a refund after the project is completed.

Customer Service Coordinator Fischer reported that Director Gleisner and Utility Planning and Development Engineer Wrase report on the monthly Public Utilities Commission meetings and Long Term Power Committee meetings the next day following these meetings on KNUJ. Lisa is also working with KNUJ on an advertising campaign to keep the public updated on the long term power progress.

The next meeting will be March 27 at 4:00 p.m. in the PUC Conference Room.

Meeting was adjourned at 5:15 p.m.

LONG-TERM POWER COMMITTEE

March 27, 2007 – 4:00 p.m.

Present were: Public Utilities Commissioner Melville; Public Utilities Commissioner Fix; City Attorney Nierengarten; City Councilor Beranek; City Councilor Webster; Citizen Appointee Hogen; Citizen Appointee Hendel; Public Utilities Director Gleisner; Customer Service Coordinator Fischer; City Manager Gramentz; Utility Planning and Development Engineer Wrase; and Finance Director Vorwerk.

Citizen Appointee Hendel made a motion to approve the minutes from the February 27, 2007 meeting and the motion was seconded by Citizen Appointee Hogen. Motion carried.

Utility Engineer Wrase reported to the Committee that the negotiations regarding the forthcoming contract and our internal generation continue with Heartland Consumers Power District. Heartland is willing to work with us on a wind project but they are concerned about having to balance the variable output of a wind facility and are asking for a 5 MW maximum.

The NUPU has not yet been able to market our capacity for the 2007 season. Heartland does not need any more capacity this season but we are discussing possibilities with them for a year from now. There is the possibility of registering our capacity with MISO but this may require up to $100,000 in registration expenses that we may or may not recoup back within the next year. If the market would remain the same as 2006 we could profit anywhere from $350,000 to $500,000, however, you are at the risk of the market. Utility Engineer Wrase will talk with Heartland to see if they would possibly share the cost and profits for this year. He will report back on this issue.

Project initiation meetings have occurred with EarthTech for the air permitting and EAW associated with the #4 boiler conversion. EarthTech will hold off on air permitting and the EAW until we know specifically what fuel type we will be using The recommendations for fuel blending will be developed by Sargent & Lundy with the boiler furnace feasibility study.

Talks continue with DM&E and the possibility of using the Rapid City transport site. Staff also is talking with New Ulm Quartzite Quarries, Inc. about the possibility of using part of their mined out area for coal storage. There is a track spur there that could help reduce our cost by allowing us to bring in a large number of coal cars at one time.

Staff traveled to Mankato to tour the Wilmarth plant and discovered that their product would have to be further processed before our boiler could make use of it. A sample of the product was brought back to show the Committee. Further checking will be done to see if it is still financially feasible to use the product after it has been shredded or formed into pellets that could be used in our system. A maximum of about 20% RDF could be

used with our boiler according to boiler manufacturer's recommendations. Using a higher percentage would lead to difficulties in the existing boiler.

The NUPU has been contacted by Sunrise Agri-fuels in Bird Island about using their bio-fuel, however, at this point their estimates are that our cost would be $120 per ton. This company is not in production yet so it is possible that their cost estimates will be refined once they are up and running.

Director Gleisner and Utility Engineer Wrase used a RETScreen International wind tool program to develop cost estimates for wind energy options and distributed copies of cost breakdowns between the three wind proposals received and the estimated costs of doing a local 5MW wind project. RETScreen is supported by Natural Resources of Canada for the purpose of providing comprehensive information free to anyone wanting to make energy efficient decisions.

RFP's were sent to 13 vendors for wind power and three proposals were received. The average cost ranged from $52.88 to $63.00. There are variables in the proposals. One did not include transmission costs and another only included the first year rate and was inflated by actual Historical CPI to develop estimated future rates.

The preliminary estimated cost of a local project ranged from $42.50 to $53.90 per MW with the difference being the amount of Clean Renewable Energy Bonds (CREB's) the City may receive towards the project. The interest percentages ranged from 0-5% over the 20 year period with all 5% municipal bonds being used with no CREB funding at the high end and 0% interest being used if full CREB funding was awarded at the least expensive end.

City Councilor Beranek made a motion authorizing staff to proceed with negotiations for wind energy with Heartland Consumers Power District and to begin development of a local wind project. City Councilor Webster seconded and the motion carried.

City Attorney Nierengarten reported that he has been researching sales tax and has not found a blanket exemption. There are portions such as pollution control elements and biomass elements that can be exempted. Itemization will have to be done for these with a request for a refund at the end of the project.

There was no new activity to report on as far as public relations.

The next meeting is scheduled for April 24 at 4:00 p.m.

The meeting adjourned at 5:07 p.m.

AGENDA

PUBLIC UTILITIES COMMISSION
Special Meeting
New Ulm, Minnesota
Friday, May 11, 2007 - 7:30 A.M.

1. OLD BUSINESS:

   a. Consider authorizing New Ulm Public Utilities to join with other Minnesota cities for the purpose of establishing a Minnesota Municipal Gas Agency.

2. NEW BUSINESS:

   a. Consider approving the general architectural features of the Cottonwood Area Water Booster Station.

   b. Consider authorizing the City Manager to prepare a Request for Proposal (RFP) for professional engineering and design services for a local New Ulm wind project of 5 MegaWatts (MW) in nameplate capacity.

2

August 28, 2007
Minnesota

Obtaining only 3 wind turbines may be challenge for NUPU

The New Ulm Public Utilities Commission will be told tonight its options are limited in obtaining wind generation turbines for the wind farm project.

The commission will meet at 7 p.m. in the City Hall council chambers.

Preliminary plans call for the construction of three wind turbines for New Ulm. A project of that limited scale may create a problem, according to Public Utilities officials.

"Many manufacturers are refusing to take part in the supply of turbines for projects of less than 10 units," reports NUPU Director Gary Gleisner

Of the eight suppliers contacted, only three provided "positive feedback."

Vestas, the utility's preferred vendor, is one of the five refusing to provide fewer than 10 units, Gleisner says.

Commissioners also will receive an update from the utility's Planning & Development Engineer, Patrick Wrase, regarding the utility's long term electric power projects, including the wind farm project.

The commission will be asked to approve the Option to Lease Agreement for obtaining easements for placing the wind energy generation turbines when they're obtained, as well as authorizing staff to negotiate and execute the terms and conditions of the Option to Lease Agreement.

The commission also will be asked to amend the 2007 Utility Schedule of Fees and Charges to increase the utility's reconnection charges.

In another related meeting, the City of New Ulm/New Ulm Public Utilities Long-Term Power Committee meets at 4 p.m. today in the PUC Conference Room.

A recommended portfolio recap of keeping existing combustion turbines, a power provider contract, boiler No. 4 conversion to coal/biomass and a 9MW wind project will be discussed.

Updates on portfolio implementation efforts and status and the public relations/communication program will be provided.

By RON LARSEN
Journal Staff Writer

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LONG-TERM POWER COMMITTEE

September 25, 2007 – 4:00 p.m.
PUC Conference Room at 310 First Street North

Present were: City Attorney Nierengarten; City Councilor Webster; City Councilor Beranek; Citizen Appointee Hogen; Citizen Appointee Hendel; Public Utilities Commissioner Melville; Public Utilities Director Gleisner; Customer Service Coordinator Fischer; City Manager Gramentz; Utility Planning and Development Engineer Wrase; and Finance Director Vorwerk. Absent was Public Utilities Commissioner Fix.

Citizen Appointee Hendel made a motion to approve the minutes from the August 28, 2007 meeting and the motion was seconded by City Councilor Webster. Motion carried.

The City Attorney sent a revised draft of the power provider contract to Heartland Consumer Power District early last week for their review. The staff felt it was advantageous to have a comprehensive power provider contract that included renewable energy requirements, the conversion of the #4 boiler, and the building of our own wind farm as opposed to having separate contracts for each item.

Sargent and Lundy representatives Tim Libson and Sean Hagen were on hand to present the executive summary and overview of the proposed wind farm project. Their recommendation is to proceed with the project because it is considered to be technically sound and financially viable.

The two main benefits of this project are that New Ulm can avoid purchasing power from Xcel or Heartland and receive revenue from the sale of Renewable Energy Certificates for power generated. The project is expected to produce about 17,345,455 kWh annually.

The overall projected cost is estimated to be $10,930,205 with $2.98 million of that coming from Clean Renewable Energy Bonds (CREBs) and $7.96 million of General Obligation Bonds. The projected payout was as short as 7.5 years when using the Xcel base case with renewable energy certificates.

There had been some concern about finding a company to provide turbines for such a small project but staff is now confident that those companies are out there. The wind study had been based on Vestas turbines; however, that company did not care to work on this size project.

Nicollet County zoning officials have expressed their support of the project as it complies with their WECS ordinance. At this time there are no known fatal flaws from an environmental standpoint which would reasonably prevent the project from being constructed.

The S&L representatives also covered various economic projections and sensitivities that showed the wind project to be a good addition to our energy generation mix. As a result, Citizen Appointee Hendel made a motion to authorize staff to proceed forward with the wind project. City Councilor Webster seconded the motion and the motion carried.

The Sargent and Lundy representatives will also make this presentation to the Commission tonight. On the PUC agenda is a request to authorize the City Manager to develop plans and specifications for the implementation of the New Ulm Wind Farm.

A verbal coal supply offer from Rio Tinto Mining and Energy was received today and a company representative will be here to provide more details on the offer in the next couple of days. Until a cost effective coal supply is located, the boiler conversion process for #4 is on hold.

We are negotiating with Heartland as to the price they may be willing to pay for the output from the #4 boiler.

There was a failure of Xcel's main transformer at Fort Ridgely last week that resulted in our plant needing to come on line to supply power for New Ulm. The backup transformer for Xcel is limited to 17 MW of power which is not enough to supply all of New Ulm. Without our ability to generate, portions or all of New Ulm would have been without power. Staff will be addressing the cost issue of this generation with Xcel. The initial power from the gas turbines was estimated to be $250/MW to produce and then the steam power was brought on to reduce the cost to approximately $70/MW. Xcel installed a temporary transformer a couple of days after the failure.

There has been no movement on the MISO metering of the combustion turbines because we are still waiting on more information.

Lisa Fischer reported that we are continuing the radio ads promoting the long term power project that were begun last month. Public Power Week is October 7-13 and the PUC is planning an open house at the Water Filter Plant on October 10 from 1-7 p.m.

The next regular meeting will be October 23 at 4:00 p.m.

Meeting adjourned at 5:02 p.m.

Prepared by Holly Postel
Clerical Assistant

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Energy 'heavy-hitters' weigh in

Xcel, NGK partner on 'huge' battery

By FRITZ BUSCH, Journal Staff Writer

POSTED: April 19, 2008 Save | Print | Email | Read comments | Post a comment

SLEEPY EYE — The future of electrical energy was discussed by industry experts, elected and appointed official Friday at Bridging Brown County's Brown County Congress in the Rural Electrical Association (REA) auditorium.

Three years ago, Outland Renewable Energy (ORE) was created by five Southwestern Minnesota farmers.

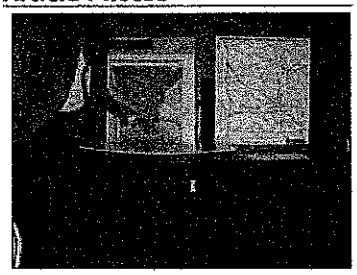
Now, the firm develops, maintains, owns and operates renewable wind and solar energy projects in Minnesota, Iowa, Illinois, Montana, Texas and New York.

The company employs 60 full-time people in its Canby and Chaska offices and plans to hire 50 more employees within a year.

The firm recently got a $2 million RTF grant from Xcel Energy to develop solar electricity at sites to be determined in Cottonwood County.

Power transmission is one of the biggest barriers for wind developers, according to Tim Carlsgaard, Communications Manager at Xcel Energy.

Article Photos



Staff photo by Fritz Busch
Tim Carlsgaard, Xcel Energy Communications and Public Affairs Manager, presents CapX2020 transmission line project details Friday at Bridging Brown County Congress in Sleepy Eye.

"Think of wind as a crop for export, all the way to the East Coast," Carlsgaard said. "We need 90,000 MW of wind for Minnesota and South Dakota by 2020. Capx2020 (a joint initiative of 11 transmission-owning utilities building 345 kV transmission lines across Minnesota) is a great start."

Proposed project corridors include State Highway 19 from the S.D. line to Hampton, US 52 to Rochester and I-90 to La Crosse; I-94 from Fargo to Monticello; and US 2 from Bemidji to Grand Rapids.

Following required mailings, meetings, hearings and public comment periods, the Minnesota Public Utilities Commission will decide if the lines are needed to meet electrical growth needs and support renewable energy expansion.

Pat Wrase, New Ulm Public Utilities Planning and Development Engineer, said his department began a study to find more affordable energy resources after power rates climbed steeply in 2005.

Proposals include converting power plant Boiler #4 to generate 15 MW from cleaner-burning Wyoming coal and biomass plus building three wind turbines near New Ulm. - PHASE / PROJECT #1

Brown County REA Manager Wade Hensel urged people to talk to their legislators about streamlining renewable energy development.

"I'm concerned about future energy supplies and our ability to provide the best possible service at the lowest cost. With all the regulations that take longer than other nearby states, It's getting tougher to do," said Hensel.

Carbon taxes and Cap & Trade laws will hike future coal energy costs while wind energy costs will drop, according to Ingrid Bjorklund, ORE VP of Government Affairs & Associate General Counsel.

She predicted that the proposed Big Stone II coal-fired power plant project near Ortonville would be the last of its type in the Upper Midwest.

"It's getting tough to produce any type of energy. We need the state to support wind and solar energy," said Bjorklund.

Carlsgaard said Xcel Energy and a Japanese firm, NGK Insulators, are partnering on a "huge" one MW, sodium-sulfur battery project to store direct wind energy and move it to the electricity grid when needed.

The battery is commercially available. Versions of the technology are being used in Japan and in a few U.S. applications.

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News

Wind farm set in motion; Leases OK'd for turbine sites

Like the pieces of a jigsaw puzzle, the elements needed to put together a 5-megawatt wind energy farm northwest of New Ulm are all coming together for the New Ulm Public Utilities Commission. Giant steps were taken at the NUPUC meeting Tuesday as the commission approved the land and wind easement leases with three landowners in southwestern Nicollet County to provide space for the wind turbines needed to generate that amount of "green" energy. In all, New Ulm Public Utilities would be leasing a total of 237.03 acres just off Highway 7, about 5 miles northwest of Klossner.

August 26, 2008 by Ron Larsen in The Journal

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Giant steps were taken at the NUPUC meeting Tuesday as the commission approved the land and wind easement leases with three landowners in southwestern Nicollet County to provide space for the wind turbines needed to generate that amount of "green" energy.

In all, New Ulm Public Utilities would be leasing a total of 237.03 acres just off Highway 7, about 5 miles northwest of Klossner.

The 60 acres being leased from Brad and Diane Franta would provide space for two turbines while the 40 acres being leased from Roger Klossner will hold one.

In the case of landowner Sharon Hacker in which 137.03 acres will be leased, the commission authorized an option to purchase an additional 5 acres that would serve as a "support" site for, in the very near future, an anemometer to "pattern" the wind in the next two years or so.

The land also would serve as a possible site for other hardware and a substation, if needed, Director Gary Gleisner said, in urging commissioners to support the purchase. As City Attorney Hugh Nierengarten outlined the purchase, Hacker would be paid $500 a year until the option is exercised, "at which time [Hacker would be paid] twice the fair market value of the property."

Then, the commission authorized the city manager to prepare requests for proposals, advertise for bids and set a bid opening date for wind turbine supply, equipment and delivery of the needed items for the New Ulm Public Utilities Wind Energy Project.

As for the number of RFPs expected to be returned, "as we have mentioned before, there's quite a demand for wind energy equipment," Utility Planning and Development Engineer Pat Wrase said.

"We got responses back [from an initial contact] from about five suppliers, but we will be sending out RFPs to seven or eight suppliers [including the five original respondents]."

RFPs also would be sent out to any suppliers who have indicated they might have turbines on hand that were ordered but not used, Wrase added.

However, there was more good news for commissioners to consider. While the staffs of NUPUC and Heartland Consumer Power District continue to work on final terms of a contract that calls for HCPD to provide a block of 15 megawatts of power to NUPUC, Xcel Energy has prepared a draft contract for 25 megawatts of NUPU's existing combustion turbines' output over a five-year period that would have Xcel Energy paying NUPUC $400,000 a year for a total of $2 million over the contract period.

The end result is that NUPUC now finds itself in the enviable position of having unexpected revenue from its combustion turbines, a likely backup in Xcel, a current provider, if Heartland doesn't come in with a satisfactory price for its block of 15 megawatts, and a possibility, however remote, of being able to pick up turbines that were ordered and not installed to speed development of its wind energy farm.

Web link: http://www.nujournal.com/page/content.detail/id/50...

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PUC approves 2009 budget, tables contract OK

By RON LARSEN, Journal Staff Writer

POSTED: December 24, 2008 Save | Print | Email | Read comments | Post a comment

NEW ULM - Although the Public Utilities Commission approved Tuesday a $43.2 million budget for 2009 with hardly any comments, a 20-year contract with Heartland Consumer Power District in South Dakota had commissioners almost literally sweating by the time City Attorney Hugh Nierengarten got listing all the "cautions."

The utility's 2009 budget anticipates operating revenues totaling $42,122,072 and non-operating revenue, like interest income, penalties and miscellaneous income, totaling $1,153,321 for a grand total of $43,275,393.

Operating expenses are predicted to total $42,213,115, resulting in a net income for the utility of $1,062,278, Director Gary Gleisner told the commission.

The budget also anticipates a "debt service coverage ratio of 2.09 times which compares to the 2008 budget of 1.86 times and to the 2007 actual ratio of 2.01 times," Gleisner explained.

The budget also plugs in unrestricted cash reserves of $12,746,358, or 101 percent of target projected reserves "as recommended by financial analysts based on the Utility's A1 credit rating," Gleisner noted.

To help reach that financial goal, the budget includes a 3 percent increase in District Energy's steam rates for 2009, as well as "various increases in Wastewater Treatment rates to provide additional revenue to fund increased operating costs associated in the treatment of phosphorous removal," Gleisner explained.

"Variances will occur in most of the general ledger accounts. It is, however, staff's intention and goal to keep overall controllable costs in line with expenses below budgeted expectations. Some of the accounts, especially those affected by customer patronage, are greatly impacted by weather, market conditions and/or growth," Gleisner said.

However, when it came to approving wastewater rates for parts per pound of biological oxygen demand and total suspended solids, Commissioner Norm Melville expressed concern about the increase because even a few cents "can cause [a big increase] for the few big users," he said.

So, the wastewater treatment increases were delayed while NUPU staff researches the impact on those big customers.

When Nierengarten had finished listing the cautions on the Heartland Consumer Power District, it was obvious that the commissioners were taken aback by his remarks.

After learning that there wasn't a real urgency to approve the contract at this meeting, the commissioners decided to table the decision until the PUC's meeting in January to study the proposed contract.

NUPUC's quest for wholesale electric power began in August 2006 with a request for proposals from 25 electric power suppliers. However, as Wrase noted, only four responded, and HCPD was one of them.

"Since the time of our initial discussions with HCPD staff, the supply offer has evolved from a full requirements supply in which HCPD would purchase the output of NUPUC's converted No. 4 Boiler and schedule around the New Ulm Wind Project output, to a fixed block supply of electrical power," Wrase explained.

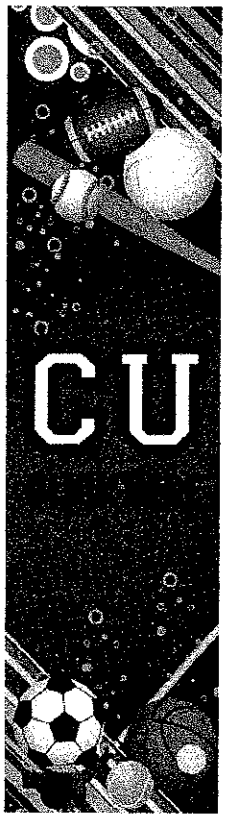
"The fixed block will allow New Ulm to utilize the output of Boiler No. 4 for its own use or for sales into the MISO market and will allow New Ulm to develop a local wind project to meet state mandated renewable energy requirements," he continued.

"The 15MW block of power offered by HCPD consists of 12.5 MW of the organizations fossil based resources and 2.5 MW of renewable energy from the newly commissioned Wessington Springs Wind Farm in central South Dakota. The anticipated rate offered by HCPD is approximately 20 percent lower than the current wholesale power rate through Xcel Energy."

In other action, the commission:

Approved a 2 to 2.5 percent wage increase for the utility's non-union employees. Under the agreement, salaried employees would get a 2 percent increase and the hourly workers would get the 2.5 percent increase.

COMPAR TO 2007 Budget (DEC 27,?



Declared miscellaneous computer equipment, meters and transformers as surplus property and authorized their disposition, pursuant to the requirements of the City Code and Charter.

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