

July 21, 2009

State of Minnesota
Office of Energy Security
85 7th Place East, Suite 500
St. Paul, MN 55101

Dear Commission,

We, the residents of Lafayette and West Newton Townships, are writing to you in response to the Application of the New Ulm Wind Project in Lafayette Township of Nicollet County, PUC Docket Number E282/WS-09-178. As we reviewed the application submitted by the New Ulm PUC, we noted many entries that were cause for concern. This letter will express those concerns. Supporting documents and letters have been submitted in a Supplemental Packed in addition to these concerns. Before proceeding, we would like to make it very clear to the MNPUC commissioners that we are in no way against wind energy.

The NUPUC states in the application cover letter, "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." According to correspondence with Representative Terry Morrow, Statute 216B.1691 applies only to "a public utility providing electric service, a generation and transmission cooperative electric association, a municipal power agency, or a power district" (Minnesota Office of the Revisor of Statutes website). According to chapter 453, a municipal power agency is a corporation created by two or more cities. There are sixteen utilities in Minnesota that are subject to the renewable energy standards in Statute 216B.1691. As has been interpreted, the NUPUC does not meet the definition stated in Statutes Chapter 453 and therefore is not subject to Statute 216B.1691 renewable energy standards.

(See Supplemental Packet, Section A)

In the list of acronyms provided with the application, C-BED (Community-Based Energy Development) is listed yet is never mentioned again in the application. This is not a C-BED project, so why is this acronym defined?

Section 1.0, Paragraph One

The NUPUC states "The Project will have a nameplate capacity of up to 10.5 megawatts (MW), consisting of: up to 5 Vestas V82 Turbines – 1.65 MW each, or up to 5 Suzlon Energy Limited S88 Turbines – 2.1 MW each." Our concern is that the total output of the project has continued to change. Is it normal for the applicant to change the size of the project so frequently? This makes us question a possible hidden agenda of the NUPUC.

Section 1.0, Paragraph Four

The NUPUC states "...interconnecting with the existing Xcel Energy 69 kV line that runs adjacent to the Project site. Pending MISO approval, the Project is expected to be operational by the fourth calendar quarter of 2010." According to the New Ulm City Council activity report of May 2009, "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." From the information found in the New Ulm City Council activity report, it appears that the NUPUC does not have permission to connect with the Xcel energy line until a lengthy study is completed.

(See Supplemental Packet, Section B)

Section 1.0, Paragraph Five

The NUPUC states, "Wind energy development presents a very low impact on society and on the natural environment...and low levels of noise associated with this form of electric energy production." "The Public Health Impacts of Wind Turbines" prepared by the Minnesota Department of Health Environmental Health Division in response to a request from the Minnesota Department of Commerce Office of Energy Security dated May 22, 2009 illustrates the impact wind energy has on society, namely the effects of noise. Wind energy also impacts society due to a variety of issues, including: shadow flicker, vibrations, ice throw, stray voltage, etc. Animals can also suffer the effects of wind turbines, a large concern because these animals provide a main source of income for many local residents.

(See Supplemental Packet, Section C)

Section 1.0, paragraph 7, Page Two

The NUPUC states "The NUPUC will not be selling the power to another utility, but may sell some of the energy generated through the MISO transmission network and then take delivery of the energy at the MISO CPNode NSP.NU, a discrete number assigned by MISO. The City of New Ulm will utilize all of the energy generated from the project." The NUPUC seems to contradict itself in this statement. We are unsure if the NUPUC plans to sell excess capacity created from the addition of this power.

(See Supplemental Packet, Section D)

Section 2.1 – Identification of Project Area

The NUPUC states, "The Project encompasses approximately 547 acres. As of the date of this application, the NUPUC has obtained lease and easement agreements with landowners for approximately 237 acres." According to area residents, nobody from the NUPUC staff has made any contact attempting to obtain wind rights. Earl Cummings from Turning Point Management in Mankato did contact area landowners in April of

2009 in an attempt to acquire wind easements with no success. Not a single landowner signed over on any wind easements. Originally Earl Cummings was a negotiator hired by the three landowners to negotiate lease agreements with the NUPUC. As stated in the packet of documentation provided at the June 26, 2009 MNPUC meeting regarding the NUPUC Wind Project application, "In the event easements cannot be obtained from landowners, or exemptions granted, then NUPUC proposes to use eminent domain to obtain the necessary easements if a site permit is authorized by the Minnesota PUC." This statement causes a high level of concern for area landowners. Is the NUPUC legally capable of obtaining wind easements through eminent domain?
(See Supplemental Packet, Section E)

Section 2.2 – Projected Output

The NUPUC states, "Based on a meteorological report conducted for the Project site, a net capacity factor of between 35 to 37% is expected..." After viewing the Wind Logics data provided in the gray packet we have included, the data appears to be inconsistent and inflated to reach a 35% net capacity.
(See Grey Packet)

Section 2.3.1 – Interannual Variation

This section references data obtained from the Mountain Lake meteorological tower near Darfur. What relevance does this have to the NUPUC proposed wind project when the meteorological tower is located nearly fifty miles away?

Section 3.1

NUPUC proposes a 5.2 by 3.2 rotor diameter setback. If the NUPUC respects the rotor diameter setback, why have they threatened the use of eminent domain to obtain these wind rights?

Section 4.1 – Project Layout

The NUPUC states "Turbine locations are approximate, and are subject to change during final design." Up to what point can changes be made to the project and to what extent can these changes be? Will these changes need to be approved through the MNPUC commission?

Section 4.4 – Associated Facilities

The NUPUC states, "The individual wind turbines will each have a gravel access road that will provide year-around access from public rights-of-way." We question how access will be obtained to the Franta property when area landowners are unwilling to grant the said access to the NUPUC.

The NUPUC states "The NUPUC will continue to work with the landowners to reach agreements on the locations of the turbines, access roads, and collector system to

minimize the land use disruptions.” How can the NUPUC continue to work with landowners when they have not begun to work with landowners?

Section 5.2.1 – Demographics

The NUPUC states, “The Project site is located within a lightly populated rural area in west-central Minnesota.” This is a densely populated area relative to many other agriculture areas, and there are many building sites in this area.

Section 5.2.4 – Impacts to Socioeconomics

The NUPUC states “The Project will not result in economic losses to property owners.” Property values are variable to wind turbine projects. The NUPUC wind project will very likely reduce the property value in this area.

The NUPUC states, “The project will most likely benefit the economy of the surrounding communities.” We believe Lafayette and West Newton townships, along with all of Nicollet County, will not benefit from the proposed NUPUC wind project.

Table 5-3 – Typical Sound Levels for Common Conditions and Activities

The types of noise referenced in said table are short, whereas the noise of a wind turbine is a continuous low frequency.

(See Supplemental Packet, Section C)

Section 5.4.3 – Mitigation Measures

The NUPUC states “Given that the closest residence is 1,050 feet southwest of a turbine, flicker is unlikely to occur.” To our knowledge, the NUPUC has not conducted a shadow flicker study regarding the proposed wind project. Has the NUPUC considered the effects shadow flicker may have on residents other than those that have signed lease agreements?

(See Supplemental Packet, Section C)

Section 5.5.1 – Description of Resources

The NUPUC states, “The proposed Project will facilitate provision of electrical service to the NUPUC and other utility company customers in Nicollet and Brown Counties and throughout Minnesota.” What does this mean?

Section 5.5.2 – Impacts on Public Services and Infrastructure

The NUPUC states, “Federal Communications Commission (FCC) Registered Towers: The NUPUC contracted ComSearch® to conduct a microwave beam path analysis of the Project area (Appendix C). The Project area was shown to have no conflicts with microwave beam paths. The NUPUC will not operate the Project so as to cause microwave, radio, telephone, or navigation interference contrary to FCC regulations or

other law.” In reference to the microwave beam path analysis, the true impact of the project will not be known until complete and operational.

Section 5.8.1.1 – Air Traffic

The NUPUC states, “Currently, the airport has 1 runway that is 4,401 feet long.” There are actually two runways at the New Ulm Municipal Airport and the second runway is 2,480 feet long.

Section 5.8.2.1 – Air Traffic

The NUPUC states, “The NUPUC will notify the local airports and FAA Regional Offices about the Project and new towers in the area to reduce the risk to air traffic conducting aerial spraying of cropland.” This statement unfairly minimizes the detrimental effects to aerial application on cropland surrounding the wind project.

Section 5.8.2.2 – Electromagnetic Fields

The NUPUC states, “Electromagnetic fields likely cause no risk to humans...the Project is not expected to have any affects on human health and safety due to EMF.” What evidence does the NUPUC have to support that there is no risk to humans due to electromagnetic fields?

Section 5.9.1 – Description of Resources

The NUPUC states, “Potentially hazardous materials within the Project site will primarily be associated with agricultural activities...Trash and abandoned farm equipment/machinery dumps are common in rural settings.” That is an unfair classification. We are responsible stewards of the land.

Section 5.10.2.1 – Agriculture/Farming

The NUPUC states, “Based on this, the Project is not expected to significantly alter crop production in Nicollet County.” The prior statement, “Approximately 10 acres of land will be converted to nonagricultural land use...” illustrates that the project will negatively alter crop production.

Section 5.10.3.1 – Agricultural/Farming

The NUPUC states, “In the event there is damage to drainage tile as a result of construction activities or operation of the LWECs, the NUPUC will work with affected property owners to repair the damaged drainage tile in accordance with an agreement between the Project owner and the owner of the damaged drainage tile.” A damaged drainage tile may not only affect the landowner. Surrounding landowners are not taken into consideration. Drain tiles are often interconnected between agricultural fields, which can be owned by different individuals. Nearby landowners can be affected by a damaged tile that is not on their own land, how are they protected? Damage to a drainage tile may

go undetected for a length of time during dry weather conditions. What happens if the problem surfaces well after the project is completed?

Section 5.11.1 – Description of Resources

The NUPUC states “Wind development in Minnesota is becoming a minor tourism attraction, bringing more visitors to the community. Increased visits and economic activity relating to wind development may have a minor benefit the community by increasing revenue related to tourism.” The development of tourism in an agricultural community will not only negatively impact the conditions of our roads, but it will also create safety hazards due to visitors being unfamiliar with agricultural practices, moving machinery, and gravel roads. We also question how the expected tourism will benefit the local residents.

Section 5.13.2 – Impacts on Soils

“This disturbance will be minimal and is generally less invasive than typical agricultural practices such as plowing and tilling.” This is a false statement. Compaction of this sort can be very detrimental to crop production.

Section 5.16.2.1 – Surface/Public Waters

“Impacts to surface water are not likely to occur to public waters basins or county ditches as a result of the Project.” County ditch 80 requires a crossing to access two of the proposed wind turbine sites. This will likely cause unavoidable land and waterway disturbance.

Section 5.18.2 – Impacts to Vegetation

“Temporarily disturbed agricultural areas will be restored to pre-project condition and will continue to be farmed.” In theory this sounds good. In practice it will be nearly impossible to bring the effected agricultural area back to pre-project condition because of things like compaction and soil mixing.

Section 8.0 – Costs

The NUPUC states, “Estimates of the installed capital cost for wind Project design and construction ranges approximately \$1,900 to \$2,500 per KW or \$23,100,000 for a 10.5 MW project.” To our knowledge the expected cost of \$23,100,000 found in the application has not been communicated to New Ulm residents through public comments and documents, although much lower amounts have been mentioned.

(See Supplemental Packet, Section F)

Section 12.1.2 – Minnesota State Historic Preservation Office

The NUPUC states “However, the Historic Structure Inventory identified a school approximately 2,850 feet west the Project.” This school is actually located east of the proposed project.

Section 12.1.4 – Nicollet County/Township Officials

June 29, 2007

The NUPUC states, “A letter of support for the Project was received shortly thereafter.” To our knowledge, a letter of support by Nicollet County is only needed for a CBED project, not for a CREB application.

September 23, 2008

Nicollet County Commissioners placed a one-year moratorium on wind energy conversion system projects in order to review the Nicollet County Wind Energy Conversion System ordinance.

February 16, 2009

This was the first, and only, public informational meeting held by the NUPUC. It was called a listening session and no questions were answered at that time. Written responses were sent approximately one month following the listening session to area residents. (Questions and Answers are in the Supplemental Packet, Section F)

Section 12.2 – Landowners

April 9, 2007

There is a confusion of section numbers throughout this entry. Although Section 5 is mentioned in the first paragraph, Section 20 is the applicable section in the second paragraph.

October 16, 2007

The NUPUC states “The NUPUC staff met with Stanley Bastian...” There is no record of a Stanley Bastian living in Nicollet County, although there is an individual of this name in Brown County. Why was this Brown County individual contacted if only Nicollet County landowners had been contacted up to this point?

Additional Timeline Items:

There were many events not included in the timeline supplied in the application. Some of these events have been added below.

Fall 2007

The landowners verbally expressed no interest in moving forward with the proposed NUPUC wind project. We believe this prompted the NUPUC to have properties appraised without landowners’ knowledge.

November 2007

Area landowner, Clete Goblirsch, was contacted. He was not interested in having any part in a project in this community.

March 27, 2008

Brad and Diane Franta corresponded by a letter through their attorney with the NUPUC and expressed "no interest in any wind generation project on their property."

(See Supplemental Packet, Section G)

March 28, 2008

Roger Klossner and Sharon Hacker also expressed no interest in the proposed NUPUC wind project by a letter from their attorney.

(See Supplemental Packet, Section G)

May 15, 2008

NUPUC corresponded with Brad Franta, Sharon Hacker, and Roger Klossner implying eminent domain through the statement "Minnesota law requires that the PUC make a good faith effort to acquire your property by direct, negotiated purchase before other means are used."

(See Supplemental Packet, Section G)

July 17, 2008

NUPUC commissioners and select City officials received a copy of a petition signed by 77 area landowners stating opposition to the proposed wind project. Please note that this petition was completed well before the controversial signing of the leases.

This document has brought fourth many of our most important questions and concerns regarding New Ulm's Wind Project Application. We thank you for taking the time to consider these issues and appreciate your careful review of this permit application. If there are any questions at all, please feel free to contact one of the local landowners listed below. We would be happy to assist you in understanding our concerns.

Sincerely,



Sandie Altman

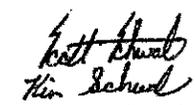
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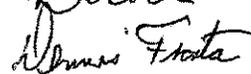
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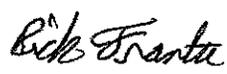
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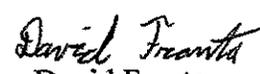
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