

**Iowa Power Fund Board - Due Diligence Committee (DDC)  
Meeting Minutes  
March 3, 2009**

**Teleconference**

**Call to Order**

Roya Stanley, Chair, called the meeting to order at 1:32pm.

**Roll Call**

<b>Member</b>	<b>Present</b>	<b>Absent</b>
Franklin Codel	Conf. Call	
Ted Crosbie		X
Vern Gebhart	Conf. Call	
Patricia Higby		X
Fred Hubbell	Conf. Call	
William (Curt) Hunter	Conf. Call	
Kevin Nordmeyer	Conf. Call	
Roya Stanley	X	

Also in attendance from the OEI, Governor's office, Iowa Power Fund Board: Brian Crowe and Mary Lewis.

**Approval of Agenda**

Ms. Stanley asked for a motion to approve the agenda. Mr. Hubbell motioned to approve; Mr. Gebhart seconded the motion. The motion passed unanimously.

**Full-Application Review**

**08-12-1163 Iowa Alliance for Wind Innovation and Novel Development (IAWIND)**

Recusal: Higby, Hunter

- Wind energy is critical component of national/state energy independence
- U.S. is the world leader
- Iowa recently became #2 in the nation for wind generation capacity
- 20% goal wind energy by 2030 will require:
  - 1) Significant growth in the industry
  - 2) Overcoming technical challenges
- Nation's wind industry will cluster in the region with:
  - 1) Supply of well-educated talent
  - 2) Demonstrated partnerships with academia and industry
  - 3) Welcoming business climate
- Iowa has the unique opportunity to become the "Silicon Valley of Wind"
- IAWIND supports Iowa in its efforts to attract and nurture wind energy industries
- Serves as a catalyst for industry growth
- Has statewide strategic partnerships with:
  - Universities
  - Community colleges
  - Industry
  - State and Federal agencies
- Support is requested for IAWIND over a 3-year period to implement:
  - 1) Research (\$1.4 million)
  - 2) Education (\$1.5 million)

### 3) Evaluation of testing needs (\$0.1 million)

- Some elements have required industry match
- All elements will serve to further stimulate wind industry in Iowa
- Research will require partnerships with industry, short term applied research and long term basic research, of which the entire industry benefits
- Education will be coordination between community colleges and universities. That will involve course development including shared materials, creation of teaching laboratories, sponsoring continuing education opportunities for the wind industry and internships in Iowa's wind industry
- Testing is driven around the gearbox issue
- Department of Energy's report on 20% wind by 2030 gearbox reliability is a major issue in achieving that goal
- The first step in this issue would be to do a study on the needs to correct the problem. This could be considered a scoping activity but it will be a fast turnaround and it will provide everyone the answers to those needs.
- IAWIND has been working loosely and operating mostly on volunteer time.
- Looking to create a Board of Directors from universities, community colleges, industry and state agencies for leadership
- Want to place a campus coordinator at each site
- Board of Directors will be modeled after successful NASA and NSF Consortia
- Have a lot of support from the industry and good things are happening now
- Extension of federal tax credit and aggressive energy goals will spur rapid growth
- Iowa's rise to national wind energy prominence
- No other state has assembled an alliance equal to IAWIND
- Iowa already leads with research university strength, enviable community college system, pro-active economic development environment and solid industry growth in the state

Q: Referring to your full application, some assertions of federal matches are referenced in some areas but not in others. So that I'm clear, what is and is not in place?

A: On p. 6, for the Research piece, there are two components: Basic and Longterm.

Industry is required to do a one to one match, similar to that of the Power Fund.

Individuals are also encouraged to apply for federal match. We're trying to match how the Power Fund operates, what its mission is, and how we want to build relationships with industry and researchers. Our goal is to provide an incentive to get that going. We want the funds with the ability to manage those funds. We do understand that the Power Fund Board does not want to write a blank check.

Q: Wondering if you know about the Power Fund's requirements and its policies around "bricks and mortar" and "in-kind" time at the universities?

A: We follow the office of sponsored program's practices.

Q: Your third component of testing, on p. 9 of your proposal, you want to construct a 10 megawatt facility. Could you please explain the testing?

A: NREL has a 2 to 2.5 megawatt facility in Colorado. Our real quest is to do a scoping evaluation to see if we need a 10 megawatt facility. There's more than just certification issues addressed then. Who really benefits? Of course, the state does indirectly.

- Colorado has created a "collaboratory" among their universities and in partnership with NREL and they've done it across technologies. Having an IAWIND could be considered a strategic move on the part of the state.

A: Number of examples of projects on a large scale at different universities is proving successful.

Q: The Power Fund already gives 2.5 million to community colleges so for my question, have you talked to the regents colleges and commercial partners to see if they'd help fund this?

A: There is clear connectivity between the two types throughout the state. Individually things can get done but an alliance is stronger as we get a chance to come together. Community colleges and universities are prepared to develop the employees needed for this industry. Through surveys, educators realized that they won't have enough students

by 2010 for industry positions so there's a need to ramp up curriculum to increase student numbers to fill those positions.

Q: Is Tom Wind on this call?

A: No, but after some discussion of this proposal, he agrees that there needs to be a base for research and development as well as education for the industry in this state.

- BECON is a biomass testing facility at ISU. There is precedence for a testing facility for wind. It has been used for other things.
- For those who don't know, BECON is a testing facility located at Iowa State and associated with the Iowa Energy Center and provides a facility for researchers to work with industry and test various technologies associated with biomass

Q: Your full application has been very helpful. My interpretation of \$3 million doesn't seem to have a lot of overhead cost (p. 14). Is it fair to say that a lot of this work will be done in kind?

A: Yes, you're right. There is almost no overhead because of working in kind and I think that's common on projects like this at universities.

**Vote:**

**Yes – Codel, Hubbell, Nordmeyer, Gebhart**

**Table –**

**No –**

**The proposal has been approved to go to the Iowa Power Fund Board.**

**Adjournment**

Meeting adjourned 2:28pm.

Respectfully Submitted,

Mary Lewis, Recorder