

Iowa Power Fund Board
 Meeting Minutes May 13, 2009
 Grand View College
 Humphrey Center
 Des Moines, Iowa

Call to Order:

Fred Hubbell, board chair, called the meeting to order at 10:10 A.M. Following roll call, Chairman Hubbell acknowledged a quorum.

Member	Present	Absent	Member	Present	Absent
Voting Members			Ex-Officio Members		
Fred Hubbell, Chair	X		Gregory Geoffroy		Andy
Rob Berntsen	X		Bill Giddings		MJ
John Bilsten	X		Kent Henning	X	
Shearon Elderkin	X		Senator Hubert Houser	X	
Peter Hemken		X	Senator Roger Stewart	X	
Patricia Higby	X		Rep. Nathan Reichert	X	
Richard Leopold	X		Rep. Chuck Soderberg	X	
Bill Northey	Susan Fenton		Due Diligence Committee		Present Present
Lucy Norton	X		Kevin Nordmeyer	Franklin Codel	X
Mike Tramontina	X		Ted Crosbie	Vern Gebhart	
Thomas Wind, V-Chair	X		Curt Hunter	Fred Hubbell	X
			Patricia Higby	Roya Stanley	X X

OEI staff in attendance: Roya Stanley, Jennifer Wright, Brian Crowe, Jessica Zopf, Sean Bagniewski, Bob Mulqueen, Sherry James

Approval of Agenda:

Action: Ms. Norton moved, Mr. Leopold seconded, to approve the agenda as printed. All members present voted "aye".

Approval of Minutes:

Action: Mr. Leopold moved, Ms. Norton seconded, to approve the April 8 as written. All members present voted "aye".

Chair's Remarks:

Chair Fred Hubbell welcomed Shearon Elderkin and Rob Berntsen to the Power Fund Board. Ms. Elderkin replaces Carrie LaSeur and Mr. Berntsen replaces John Norris.

Director's Remarks:

Director Roya Stanley reported that she attended the International Wind Conference in Chicago last week and the conference had grown from 300 participants in the early 1980's to over 21,000 this year.

Director Stanley reported staff has been very intense on working on the American Recovery and Reinvestment Act (ARRA). Energy funding under the Recovery Act must create jobs, save energy, increase the generation of renewable energy, and reduce greenhouse gas emissions. All funding under the Recovery Act must be obligated by September 30, 2010, and be spent within 3 years.

Election of Chair and Vice Chair:

Chairman Hubbell reported that according to the Iowa Administrative Code, 350-3.2(469), the Board shall annually elect, from the voting membership, a chairperson and vice chairperson during the meeting in May.

Action: Mr. Wind moved, Mr. Bilsten seconded, to reelect Fred Hubbell as Chair of the Power Fund Board until May 2010. All members present voted “aye”.

Action: Ms. Norton moved, Ms. Higby seconded, to reelect Tom Wind as vice chair of the Power Fund Board until May 2010. All members present voted “aye”.

Public Comments:

There were no public comments.

Committee Reports:

Administrative Rules: Chairman Hubbell reported that Carrie LaSeur had served as chair of the Administrative Rules Committee and the board will appointment a new chair in the near future. There will be a committee meeting scheduled before the next Board meeting to review and make recommendations to the board for changes to the rules.

Due Diligence: Director Stanley reported the DDC met on April 22nd. The pre-applications were reviewed.

Chairman Hubbell reviewed the Iowa Power Fund Project Summary List regarding the remaining budget. Mr. Hubbell reported there would be two full applications presented to the Board at the meeting for their consideration.

Chairman Hubbell reviewed the target sheet for the Iowa Power fund projects per Target Area for Commercialization, Education, R & D and Other. He requested a meeting with OEI staff prior to the next board meeting to review the investment categories for next year

Planning Committee: Tom Wind reported there was a conference call with the Planning Committee and OEI staff on April 20 to discuss the 2009 Annual Energy Independence Plan. Several changes were discussed in preparation for this year’s plan. The 2009 Plan will highlight implementation strategies for the various goals in the following areas: energy efficiency, renewable energy (wind, solar, biomass), and biofuels. A Planning Retreat is scheduled to be held on Monday, June 22 at the Botanical Center. Mr. Wind encouraged the Board members to attend during these initial discussions because collaboration will be key to achieving these goals. This retreat will be open to the public.

Application Committee: OEI staff is working on developing a web based application to be completed and submitted electronically. Several sessions have been held and minor changes need to be implemented before the system goes “live”. The state requires that all grants be accessible electronically. Federal grant applications will also be created to be submitted electronically.

Full Applications

21st Century Green Energy Project

Mr. Crowe reported 21st Century Green Energy Project was requesting funding in the amount of \$253,406.50 for a feasibility study to determine a path forward to implement a solution to critical, post-flood energy system issues in Cedar Rapids. Initially conceived as a study to determine proof-of-concept and viability for a renewable fuel-powered energy system in Cedar Rapids, the scope and importance of the study have grown to include in-depth analysis of a range of energy solutions to replace the flood-damaged steam plant.

Action: A roll call vote resulted as follows: Fenton, yes to negotiate; Hubbell, yes to negotiate ; Bilsten, yes to negotiate; Norton, yes to negotiate ; Higby, no; Leopold, yes to negotiate; Berntsen, yes to negotiate; Elderkin, yes to negotiate; Wind, yes to negotiate. *Motion carried.*

Negotiating team is Ms. Elderkin, Mr. Leopold, Mr. Wind and Mr. Hubbell.

Biodiesel Education Program

Mr. Crowe reported the Iowa Biodiesel Board was requesting funding in the amount of \$50,000 to create a program that will raise the level of knowledge of biodiesel and its performance in diesel engines with the mechanic's community in Iowa and also the instructors of diesel mechanics in Iowa at our Community Colleges.

Action: A roll call vote resulted as follows: Fenton, yes to negotiate; Hubbell, yes to negotiate ; Bilsten, yes to negotiate; Norton, yes to negotiate ; Higby, yes to negotiate; Leopold, yes to negotiate; Berntsen, yes to negotiate; Elderkin, yes to negotiate; Wind, yes to negotiate. *Motion carried.*

Negotiating team is Ms. Norton, Ms. Higby, and Mr. Hubbell.

Term Sheets

◇ Vertical Wind Turbine Manufacturers, Carbon-Free Energy, LLC, – the project description is to design and build three prototype 5KW vertical axis wind turbines.

Action: Ms. Leopold moved, Mr. Bilsten seconded, to approve an award to Vertical Wind Turbine Manufacturers, in the amount of \$250,000 on the terms and conditions described in the Term Sheet presented, with the following changes: accounting of in-kind money already spent be acknowledged and the dates changed in the performance measures to reflect the funds expended after August 1, 2008 by Carbon-Free shall be included in cost share included in the project.

A roll call vote resulted as follows: Fenton, yes; Hubbell, yes; Bilsten, yes; Norton, yes; Higby, yes; Leopold, yes; Berntsen, yes; Elderkin, yes; Wind, yes. *Motion carried.*

◇ Green & Main, Model Energy Building, Indigo Dawn, LLC, - the project description is specific tasks to include design, permitting, construction, and operation of commercial building with less than 20,000 square feet to achieve a 75 percent energy efficiency improvement over Iowa energy code standards.

Action: Mr. Bilsten moved, Ms. Higby seconded, to approve an award to Green & Main in the amount of \$225,000 on the terms and conditions described in the Term Sheet presented.

A roll call vote resulted as follows: Fenton, yes; Hubbell, yes; Bilsten, yes; Norton, yes; Higby, yes; Leopold, yes; Berntsen, yes; Elderkin, yes; Wind, yes. *Motion carried.*

◇ Consumer's Energy Cooperative, Plug-in Hybrid Electric Vehicle – the project description is to retrofit and test the performance levels of a plug-in Hybrid Electric Vehicle.

Action: Mr. Wind moved, Mr. Leopold seconded, to approve an award to Consumer's Energy Cooperative in the amount of \$19,000 on the terms and conditions described in the Term Sheet presented.

A roll call vote resulted as follows: Fenton, yes; Hubbell, yes; Bilsten, yes; Norton, yes; Higby, yes; Leopold, yes; Berntsen, yes; Elderkin, yes; Wind, yes. *Motion carried.*

Public Comments:

There was no public comment.

Other Business:

Representative Soderberg presented his concerns to the board regarding the Waxman-Markey Climate Change bill and potential implications to Utilities, rate payers in general. He felt it was important for the board to write a letter or a policy statement to Congress. Lengthy discussion ensued regarding this early version of the bill. There is currently no companion bill in the Senate and it is expected, as with all legislation, there will be many more iterations before a final is agreed on. OEI staff will prepare a summary of the bill for further review.

The Power Fund Board meetings will be held across the state during the summer months in order for the board members to tour some awarded projects. The following locations were tentatively scheduled: June, Renewable Energy Group-Ames; July, UNI, Cedar Falls; August, Green Plains Renewable Energy, Shenandoah; and September, ISU, Ames.

Adjournment:

There being no further business to discuss at this time, Mr. Berntsen moved, Mr. Leopold seconded, the meeting be adjourned at 3:00 P.M. All members present voted "aye". The next Power Fund Board meeting will be held on Wednesday, June 10.

Fred Hubbell, Board Chair

Sherry James, Recording Secretary