

**Alternative Energy Committee  
August 15, 2013**

Members present: Larry Bean, Chair; Burke Henry, Vice Chair; Tom Banner, Carl Frederickson and Glenn Carlson

Members absent:

Also present: Lisa Potswald, Planning and Zoning Administrator.

Public present:

**1. Call to order.**

The Alternative Energy Committee meeting called to order by Chair Larry Bean on Thursday, August 15, 2013 at 10:03 am at the Town Hall. A quorum of the committee is present as reflected in the members listed above.

**2. Minutes of the following meetings to be considered for approval:**

**A. June 20, 2013**

Pg 1: Item B(3) third paragraph: Change several "years" to "weeks" ago.

Pg 2: Second paragraph: Change 2.4%" to \$2400.00 in two sentences regarding money that would be received from Focus on Energy.

Motion by B. Henry second, T. Banner to approve the June 20, 2013 Alternate Energy Committee minutes as corrected. All in favor, all aye, motion carried.

**B. July 8, 2013 see above**

Motion by B. Henry, second, T. Banner to approve the July 8, 2013 Alternative Energy Committee minutes as presented. All in favor, all aye, motion carried.

**3. Financial Review.**

B. Henry and L. Bean asked Barb Nelson, Administrative Assistant, to compile information about committee finances. Four folks have paid for their site assessments but the account is overdrawn by \$53.25. C. Frederickson will pay for their assessment so the account will now be in the black.

The committee has received a memo that the 2014 budget sheets are to be submitted the end of September/early October. Pete Clark, Town Administrator, has suggested that the committee's budget request should include recommendations for capital expenditures. L. Bean will assemble a list of possible capital expenditures from audits and discussions over the last three years and will email committee members with the list by August 22<sup>nd</sup>.

**4. Report on the August 7, 2013 meeting with Xcel Energy.**

Dave Donovan from Xcel Energy was contacted by Lauren Azar, former chair of the WI Public Utility Commission and now the policy advisor to the Secretary of Energy to come to a meeting with this committee to discuss microgrids. L. Bean has met with Dave Donovan several times before.

L. Bean has contacted the DNR and the State Energy Office to see if they could meet late September. The Energy Office responded and said to embrace Lauren Azar's suggestions. They would be willing to go the WI Research Consortium to try and find us funding for a microgrid which is what Lauren is looking at.

L. Bean said in his research of microgrids is that microgrids are considerably more expensive than conventional solar and there is also an annual maintenance requirement. When a microgrid goes down the system breaks free from the grid and will not provide power to an entity (Town/business/residence/entire Island) so in order to supply power when the grid is down the system requires a battery bank. Also, not all microgrids produce 100% of the load so you would have to prioritize what has to be powered in the community.

Pete Clark is working on an emergency plan for the island. A smaller microgrid system could be included in this plan and installed at the Emergency Services Building (EMS). The system could provide shelter if residents lost power for a length of time.

A microgrid that would provide power for all of the town buildings might be too large but Lauren is convinced that MI would make a great demonstration project for microgrids. She has left it with us to determine how to embrace our energy security and independence. Those two things are what a microgrid would give you to some level depending on choice.

L. Bean needs some direction as we have three projects in regards to solar. The recommendation from both Dave and Lauren was that we proceed with the installations as we have described and add a microgrid later. Lauren also suggested that we should have at a minimum, a facility with an independently powered system. C. Frederickson has a system that is tied into his propane tank so when the electricity goes out the system immediately goes over to a substantial generator that engages in about 15 seconds.

G. Carlson said he learned at the meeting that the utility agency is going through a death spiral because big customers and individuals are generating their own power which drives up the cost for everyone else. The national utilities are trying to figure out how to change themselves to survive and at this point the utilities do not know what they would require to be the standby provider to a microgrid. L. Bean said when the grid goes down Xcel is fined so they would not want anyone around the grid as they are responsible for reliability and the safety of their workers.

We have to look at the future. We are looking at current usage for the town now, but what if all vehicles would be replaced with electric vehicles?

L. Bean said Dave said that Xcel is definitely interested if we chose to become a demonstration project and may support part of the work. Dave also encouraged us to stay closely tied with Focus on Energy. L. Bean invited Focus to this meeting but they have budget restraints that require them to be linked to actual projects. We will meet with Focus when we go to Madison. To be noted is the \$2400.00 from Focus for solar projects has been eliminated as of August 15<sup>th</sup> but will come back after the first of the year. Focus has \$10 million available each year -  $\frac{3}{4}$  of that goes to methane and a  $\frac{1}{4}$  goes to solar. We need to be ready to go Jan 1 with solar requests to Focus On Energy and Dave thinks this is the ideal project for Focus so we need to keep that in mind.

Dave mentioned the DNR might be hesitant about a solar installation on the landfill because they are afraid of cracking the cap. L. Bean talked to Ted Pallas, MRF Superior who said there is a foot of black dirt and 3 feet of clay and the cap is not vented. Dave suggested approaching the

DNR with an offer that we do this demonstration project as a partnership. L. Bean emailed the DNR regarding the fact that there are no solar installations on landfills in Wisconsin but there are around the country. The DNR will reply after August 15<sup>th</sup>.

L. Bean suggested that we be prepared to submit a substantial grant request to Focus on solar installations January 1, 2014. If we got the grant Lauren would be involved.

L. Bean would like to bring someone in to talk about leasing programs. These programs are active in 26 states but not in Wisconsin where they are being contested in court so cannot use this option for people interested in solar installations. L. Bean talked to couple of solar contractors about St. Johns who cannot get the tax credits. Pastor Marina has expressed continued interest and G. Carlson said the church council is all onboard about doing something.

G. Carlson said of interest is that there are 3 electric cables that go to the island. One was laid in 1960 and upgraded in 2005 and is still functional. The second one laid in 1970 has failed. The third one was laid in 2005 and this line will handle just about 100% of the island capacity.

### **5. Grant Initiatives.**

B. Henry has paperwork from the Island Association but needs to know how much to apply for and what the funds would be used for. Agreement to apply for \$1500.00 and the funds will be used for planning – going to Madison to meet with various agencies in regards to solar installations.

The committee needs a list of funding organizations and also the reason we need the funds. In the past the committee applied to AIACF, the Duluth Superior Foundation, the Island Association and Bremer. Suggestion to put in a request for funds for a watt meter that could be checked out at the Library.

Lisa Potswald has offered to do a USDA Rural Development Grant. She has completed a grant application to them before. Suggestion that Lisa look at all the grant applications, especially Windustry for background information. L. Bean said it is important to find out the name of the local Rural Development person and contact them first. That way, when committee members meet with the State rural development office the local person would know what is going on.

G. Carlson said Norvado is financing the fiber optic project through The USDA Rural Development program so their application would talk about why there should be a fiber optic project and the Island which might help with our application.

Agreement that the committee needs to talk about goals. What is the cost of island government that we are trying to replace and not only the cost of power but more importantly what is the role of government that must be paid for in an emergency situation. Unless we identify what the real costs are those costs will never be paid for and that will be a terrible failure in the system. What is the reality of providing showers for 300 people in February and for how long? Or feeding 300 people? We need to define goals and get costs. Remember the fallout shelters. This is all a part of the issue and we need to draw a road map for a survivable Island.

L. Bean said the committee needs to stay focused on energy efficiency and renewable energy. Planning for an emergency is bigger than this committee. B. Henry said in order to size your collection system you need to know these things. L. Bean said that is right. As he said, a

microgrid does not necessarily meet 100% of the load so you have to figure out what you can do without. The consultant he talked to said to think about what you can keep on; not what you should keep out. So what are the priorities?

Lisa said that every grant would like the mission statement and how the committee would proceed. This should be consistent for each grant. B. Henry said with wind the goal was to provide 100% of electric use amongst the entire population of Madeline Island.

Lisa will look at the grants and look for standard language.

G. Carlson said B. Henry's point is a good one – perhaps survivability is not a goal but a potential fringe benefit of trying to improve the island's efficiency and cost; that we are not building for survivability but for cost effectiveness. However, there is a side benefit which helps with survivability. If our intent is 100% survivability then we get into all the questions of the size, etc. L. Bean said if we can effect some change on the island that results in independence and security we are helping under any emergency circumstance.

Lisa leaves the meeting (10:50 am).

## **6. Itinerary in Madison**

L. Bean emailed the DNR and Energy Office and said we would be in Madison the last half of September and we would also meet with Senator Jauch and Representative Janet Bewley. We will request that one of their staff members accompany us when we meet with the DNR. We would also meet with Focus on Energy, Xcel Energy and if possible, the Energy Consortium. We will talk about the three projects we are interested in developing: the solar installations on 20 residences who have expressed interest, the Library/Clinic project and the Town projects. We are looking for support and funding. Direction - Assistance – Support.

## **7. Schedule for Madison visit**

L. Bean will definitely go to Madison. G. Carlson will contact the Senator and Representative offices.

## **8. Review of Draft letter requesting contractor interest in Madeline Island solar projects; marketing and public information needs.**

L. Bean has a list of 21 contractors he would like to send a letter to so they know that we are doing something over here. No changes to the letter presented.

G. Carlson will break down the electric load by location and month for the next meeting. He will also get the gasoline usage figures which will be a yearly average over a 10 year span.

The Sanitary District is a separate entity so will not be able to get any figures from them. L. Bean needs the numbers for the EMS and Winter Transportation Buildings.

B. Henry said when you talk to the people in Madison we need a plan or a simple diagram: this is what we want for Town Govt. What is our mission?

L. Bean will get the goals, objectives and the mission statement of this committee for the next meeting. L. Bean said a plan is good but the plan should not be confining. The trouble with

objectives and goals is they never go beyond the set goal or objective. We need to look long term. L. Bean does not think the town will go for a microgrid unless there is money available so if you put a micro grid into a plan that could scuttle the whole plan. G. Carlson said a microgrid could be phase 4. T. Banner suggested not mentioning a microgrid until you have an emergency plan that calls for it. The emergency plan has to dictate when the microgrid is needed.

**9. Set next meeting and agenda.**

Marketing and public information need to be an agenda item. We need outreach and we need to let the public know what is going on. Agreement that after the committee is clear on the goals, mission and the parameters of what we are investigating G. Carlson will set up an Alternative Energy Facebook page.

Pete Clark will be at the next meeting to talk about the emergency plan.

The next meeting will be Thursday, August 29, 2013 at 10:00 am.

**10. Adjourn.**

Motion by B. Henry to adjourn, second, G. Carlson. All in favor, all aye. Motion carried.

Meeting adjourned at approximately 11:30 am

Minutes taken from recorder and respectfully submitted by Kathy Erickson, Clerical Assistant

Minutes approved as presented August 29, 2013