

September 23, 2013

Jack Purkis
Minnesota Department of Revenue
Property Tax Division
Mail Station 3340
St Paul, Minnesota 55146-3340

RE: Efficiency Ratio Determination of the Minnesota Office of Energy Security
Docket No. ET6133/TX-13-575

Dear Mr. Purkis:

On May 8, 2013 the Minnesota Office of Energy Security (OES) received a letter from you requesting a determination of the efficiency ratio for a sliding-scale market-value exclusion under Minnesota Statutes § 272.0211, subd. 1. The exemption has been requested by Hometown Bioenergy for biogas electric generation to be installed in Le Sueur, Minnesota.

OES Staff examined the information from Hometown Bioenergy forwarded by your office and requested additional information from Hometown Bioenergy. Additional information concerning the facility was obtained in Hometown Bioenergy's response to OES Information Request Nos. 1-2, dated July 31, 2013. Upon review of all necessary information, the OES determined the expected efficiency of the equipment shown below.

Outputs	Quantity (MMBtu)
Electric	100,250
Thermal – JW	43,800
Thermal – Exhaust	33,280
Total Outputs	177,330
Inputs	Quantity (MMBtu)
Energy Input	328,704
Total Inputs	328,704

Based on these values the OES concludes that the expected efficiency ratio for Hometown Bioenergy's proposed electric generation equipment to be installed in Shakopee, Minnesota is 53.9 percent (177,330/328,704). The conclusion regarding the estimated efficiency is based on the facts represented by Hometown Bioenergy. After installation and commissioning of the proposed equipment, the OES will examine actual operating data regarding the proposed equipment.

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Regarding the eligibility of the application under Minnesota Statutes § 272.0211, subd. 4, Hometown Bioenergy notified the Commission of its application and requested a determination of eligibility on August 6, 2013. On September 5, 2013, the Department submitted comments recommending approval of eligibility under § 272.0211, subd. 4. The Commission has 90 days from receiving official notice to inform you of its finding. The Commission will notify you of its finding separately.

If you have any questions or require further information regarding this determination please contact Lise Trudeau (651-539-1861) or Chris Shaw (651-539-1823), the staff responsible for analyzing this application.

Sincerely,

/s/ BILL GRANT
Deputy Commissioner
MN Department of Commerce, Division of Energy Resources

BG/ja

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce
Comments**

Docket No. ET6133/TX-13-575

Dated this **5th** day of **September, 2013**

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	OFF_SL_13-575_TX-13-575
Kelsey	Dahlen	kelsey.dahlen@avantenergy.com	Avant Energy Inc	220 S 6th St Ste 1300 Minneapolis, MN 55402	Paper Service	No	OFF_SL_13-575_TX-13-575
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_13-575_TX-13-575
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_13-575_TX-13-575
Stephanie	Jennejohn	N/A	MN Municipal Power Agency	200 S 6th St Ste 300 Minneapolis, MN 55402	Paper Service	No	OFF_SL_13-575_TX-13-575
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_13-575_TX-13-575
Bethany	Pribila	Bethany.Pribila@AvantEnergy.com	Avant Energy Inc	220 South Sixth Street, Suite 1300 Minneapolis, MN 55402	Paper Service	No	OFF_SL_13-575_TX-13-575
Jack	Purkis	John.Purkis@state.mn.us	State of Minnesota	Department of Revenue 600 N Robert St., Mail Station 3340 Saint Paul, MN 55992	Electronic Service	No	OFF_SL_13-575_TX-13-575

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**Minnesota Department of Commerce
Letter**

Docket No. ET6133/tx-13-575

Dated this 23rd day of **September, 2013**

/s/Sharon Ferguson

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