

November 22, 2013

The Honorable Eric L. Lipman
Office of Administrative Hearings
P.O. Box 64620
600 North Robert Street
St. Paul, MN 55164-0620

RE: Docket E-002/CN-12-1240
OAH 8-2500-30760

Comment on Xcel Energy's Petition to Seek Approval for a Competitive Resource Acquisition Proposal Regarding the Geronimo Energy Aurora Solar Project

Dear Honorable Lipman:

I am writing to relate my concerns regarding support for the Geronimo Aurora Solar Project. I live in rural Zumbrota, MN, approximately 4 miles from the proposed solar project site along Highway 52 in Minneola Township and near the City of Zumbrota.

Geronimo Energy contacted the Minneola Township Board this past month requesting a letter of support for this particular solar project. Geronimo Energy also contacted the Zumbrota Economic Development Authority (EDA) and the Zumbrota City Council with the same request. All three requests were after the deadline for comment had been extended. Please note that letters of support were NOT granted by any of three agencies.

Both the Zumbrota City Council and the Zumbrota EDA expressed concern that the City had extended sewer and water to the proposed solar site area to promote industrial development. The approximated production tax revenue is very low for prime industrial land sited along Highway 52, a four-lane highway connecting the Twin Cities area and Rochester, MN.

Appended is an article that appeared in the Nov. 21, 2013, *Post Bulletin* related to Geronimo Energy's attempt to garner letters of support from other agencies in southeastern Minnesota affected by Geronimo's Competitive Resource Acquisition Proposal. Please note that several of these agencies chose NOT to send letters of support.

My personal concern is that none of these proposed solar sites by Geronimo Energy have been brought to the public's attention, and no public hearings were scheduled before asking for letters of support. There is also the issue that these requests for letters of support seem rushed and last minute.

I do not support the Zumbrota site for the future Geronimo Aurora Solar Project.

Sincerely,

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http://www.postbulletin.com/business/largest-solar-project-in-state-history-includes-local-sites/article_83a02e40-96de-56a6-83b9-bd917b42412c.html

POST BULLETIN

Largest solar project in state history includes local sites

Brett Boese, bboese@postbulletin.com | Posted: Wednesday, November 20, 2013 10:16 am

ST. PAUL — Three southeastern Minnesota communities soon could be part of the most ambitious solar energy project in state history.

Eagan-based Geronimo Energy has proposed a 100-megawatt project that would cover about 700 acres over 18 counties, according to proposal filed April 15 at the Minnesota Public Utilities Commission. Local sites being considered include Dodge Center (6.5 MW), Zumbrota (3.5 MW) and Pine Island (2.5 MW).

The proposal was submitted weeks before Gov. Mark Dayton signed legislation that made Minnesota the 17th state to pass the controversial solar energy mandate, which requires the four major utility companies to use 1.5 percent solar power by 2020 — on top of the state's 2007 renewable energy standard.

Geronimo's filings at the PUC suggest it hopes to negotiate a power purchase agreement with Xcel Energy. The PUC has determined that Xcel's resource plan must include 150 MW of solar power to the grid by 2017 and 500 MW by 2019 in order to comply with the new legislation.

A typical solar project remains operational for 25-40 years, according to Geronimo's paperwork.

"Geronimo's 100 MW project is the largest installation of solar energy and distributed generation ever proposed in the state," Geronimo Energy Vice President of Development Elizabeth Engelking told the PUC on Sept. 27. "The size of the project provides efficiencies and economies of scale, especially in equipment purchasing. It also appropriately balances the timing and logistics of constructing approximately 20 sites within the timeline necessary to complete all required regulatory approvals, qualify for the available federal investment tax credit and meet Xcel's need for capacity prior to summer 2017."

The project is targeting Dec. 1, 2016, to begin operations. That timeline would qualify it for a 30 percent tax credit — though what that benefit would mean in actual dollars is unclear. The project's cost has been redacted from public filings due to "trade secret" status. The PPA data also would be private. That's prompted criticism from one local legislator.

Rep. Tim Kelly, R-Red Wing, opposed the solar mandate legislation over concerns of "supporting technology that will be obsolete within five years." He also took aim at the idea of providing subsidies to an entity that won't share its price tag with the people who are funding it.

"I think it's important we understand all the components of it," said Kelly, who represents Goodhue County. "There's no doubt it's taxpayer money in this case. We should be able to stand up before the public and tell the public this is the cost of it."

"It's a terrible thing for ratepayers," echoed Rep. Steve Drazkowski, R-Mazeppa.

Xcel CEO Ben Fowke also opposed the state's new solar mandate, previously saying "solar is quite a bit more expensive than other alternatives." Drazkowski said solar power can be up to 12 times as expensive as coal.

Communication Gap?

Proposed host communities are mixed on whether to issue letters of support for the project. They're due to the PUC on Friday.

The Dodge Center City Council sent the PUC a letter of support last week, but the Dodge County Board rejected that idea at Tuesday's special meeting.

The Zumbrota City Council will be considering a letter of support at Thursday's meeting, but city administrator Neil Jensen has raised concerns. The 33-acre site would be located just off U.S. 52 in the city's new industrial park and is expected to produce just \$6,000 in annual taxes, Jensen said.

"That's extremely low for prime industrial land abutting highway 52," Jensen said. The Zumbrota Economic Development Authority heard a 30-minute presentation Wednesday morning from Geronimo officials, but the letter of support failed for lack of a motion, Jensen said.

Goodhue County land use management director Lisa Hanni said she's heard nothing from Geronimo. Pine Island Mayor Rod Steele says the company's only communication was a one-page letter received about two weeks ago. The Pine Island city council didn't even discuss a letter of support at Tuesday's meeting.

"It's too preliminary," Steele said. "We just don't know enough about it."

A letter of support also was requested of Minneola Township in Goodhue County, but no action was taken because there wasn't time to properly notice a special meeting.

Years ago, Geronimo Energy proposed a 50 MW wind project near Goodhue that was eventually scrapped after the New Era Wind controversy. The current solar project has the same legal representative, Christina Brusven, and environmental specialists, Westwood Professional Services, that recently worked with the most divisive wind project in state history.

That's raised some red flags among locals.

"I'd be very wary of signing anything that could be held over your head as a bludgeon," Zumbrota resident Kristi Rosenquist said.