

**MINUTES OF THE NINTH  
OREGON WIND WORKING GROUP (OWWG) MEETING  
Klamath Falls, April 8<sup>th</sup>, 2005**

By  
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The Oregon Department of Energy (ODOE) organized this workshop in close cooperation with Klamath and Lake county and rural economic development officials. It was held in the Klamath County Courthouse, 316 Main Street, Klamath Falls. The goal of this workshop was to transfer the knowledge gained with the development work of community wind energy projects in Northcentral Oregon to a different part of the state. Furthermore, the intent was to use that knowledge not only for wind energy development but also for other locally owned renewable energy projects as well. Based on the feedback we received from the approximate 45 attendees, the workshop accomplished those goals.

The Agenda of the workshop is shown on the last page of these minutes. Following is a brief description of the main speakers' presentation. A copy of available power point presentations can be found on ODOE's OWWG web page.

**Bradley Winters**, Lake County Commissioner, welcomed the attendees and described the Lake and Klamath counties' interest in the development of renewable resources to assist in the economic development of the region. Biomass, solar, wind and geothermal energy are all renewable energy sources of interest to the region.

**Carel DeWinkel**, Senior Policy Analyst, Oregon Department of Energy, gave a brief background of previous activities of the Oregon Wind Working Group and also described the goals of Oregon's Renewable Energy Action Plan (REAP) that was recently approved by Governor Kulongoski. Wind energy plays an important role in the development of renewable resources and a specific goal of community owned wind energy capacity is included in that Plan. The full REAP description can be found at <http://egov.oregon.gov/ENERGY/RENEW/RenewPlan.shtml>.

**Paul Woodin**, President of Western Wind Power, who previously was the Development and Operations Manager of the 24 MW Klondike Wind Farm in Sherman County, started the workshop with a detailed description of the typical project steps in developing small wind farms. He based his discussion on his experience with several projects in Sherman County. One of his projects is a public-private partnership between two wheat farmers and Sherman County. He continued to describe different ownership models and financing options. His complete presentation in power point format is available on ODOE's OWWG web page.

**Jeff Keto**, Loan Manager of the Small Scale Energy Loan Program (SELP), Oregon Department of Energy, currently oversees the energy loan program loan production, loan

underwriting and portfolio management of over \$100 million in energy conservation and renewable resource loans. Jeff presented an overview of not only SELP, but also the specifics of the Business Energy Tax Credit (BETC) program and its pass-through mechanism. Furthermore, Jeff described further details on the ownership model previously discussed by Paul Woodin. Jeff's complete presentation in power point format is available on ODOE's OWWG web page.

**Peter West**, Director of Renewable Energy Programs for the Energy Trust of Oregon (ETO), gave a detailed overview of both the energy efficiency and renewable energy programs of the ETO. He described the plans for a biomass program soon to be announced and further outlined how he plans to roll out a Community Wind program later this year. Peter's full presentation can be found in power point format on ODOE's OWWG web page.

During lunch, we planned to have **Lisa Schwartz**, Senior Analyst of the Electric Rates and Planning Division of the Oregon Public Utility Commission's Staff, give us an update on the PURPA proceeding that is of great interest to those who are trying to develop smaller scale renewable electric generating facilities. However, the Commission had not made a decision at the time of this workshop. Therefore, this discussion did not take place. For a full description of the order that was made public on May 19 2005, see <http://egov.oregon.gov/ENERGY/RENEW/Wind/OWWG/UM1129.shtml>

In stead, **Sherman County Judge Gary Thompson** described the efforts by the Sherman county commissioners to develop community owned wind farms. He explained the tax issues, enterprise zones and the cooperation with large wind farm developers to set aside transmission capacity for smaller scale wind farm development. Gary summarized the legislative activities that are currently taking place in Salem which will assist not only electric generating facilities but also the biofuel industry in the state. For more information, please contact Judge Thompson directly at [lgarlin2@aol.com](mailto:lgarlin2@aol.com) or 541-565-3260.

After lunch, **Mr. Ted Bernhard**, a corporate and securities attorney in the Technology Ventures Group of Stoel Rives, spoke about equity capital issues. He discussed the thought process of equity investors such as angels, venture capitalists, private equity funds, and investment bankers when they look at renewable energy projects such as wind, solar, biomass and geothermal energy projects. A discussion of risk taking and rewards followed, as well as a brief discussion of the legal services needed for these kind of projects. Ted's full presentation can be found in power point format on ODOE's OWWG web page.

**Don Hollis**, Rural Business-Cooperative Specialist of the USDA Rural Business in Pendleton, described the Farm Bill's Section 9006 program that provides grants and loan guarantees for energy efficiency and renewable energy programs. He outlined the USDA's Oregon office's intention to work closely with stakeholders to streamline the application process. To this end, several meetings have been held this spring. Other meetings are planned to coordinate the writing of proposals for next year. Similar measures will be taken for the Farm Bill's Value-Added program. Don's full presentation can be found in power point format on ODOE's OWWG web page.

**Jim Walls**, Executive Director for the Lake County Resources Initiative (LCRI), talked about biomass development and carbon credits systems. He discussed his financial modeling efforts of the Lake county biomass plant in some detail. This model in excel sheet format is placed on ODOE's OWWG web page. Jim expressed confidence that a private developer will soon be found for this project and that other similar projects are feasible in our state.

**Andrew Stuedli**, Natural Resources Manager for the South Central Oregon Economic Development District that encompasses the Klamath and Lake County region, discussed geothermal energy projects. Direct use of this resource for district heating and green houses are especially of interest to his organization. His presentation can be found in power point format on ODOE's OWWG web page.

Carel DeWinkel and Commissioner Bradley made a few concluding remarks and thanked the attendees for attending the workshop.

Following this workshop, the optional tour of the geothermal heating system of the Klamath County Courthouse took place. **Brian Brown**, President of Brian Brown Engineering, Klamath Falls, gave a presentation on the Klamath Falls' geothermal resources. Brian was the lead design engineer for improvements to the City of Klamath Falls' geothermal district heating system and described that system in some detail. He also led the participants to the building's utility room for a full explanation on how the system works.

***Oregon Wind Working Group (OWWG)<sup>1</sup>***  
***Ninth Meeting, Klamath Falls, April 8<sup>th</sup>, 2005***

**When:** Friday, April 8, 10:30 AM to 3:00 PM  
**Where:** Klamath County Courthouse, 316 Main Street, Klamath Falls, OR

This workshop will be held in close cooperation with Klamath and Lake county and rural economic development officials. The goal of this workshop is to transfer the knowledge gained with the work to develop community wind energy projects in North-central Oregon to a different part of the state and to use that knowledge not only for wind but for other locally owned renewable energy projects.

***** <b>Agenda</b> *****
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**09:00 – 10:30 SCORP/ACT/EDD Executive Committee meeting**

10:30 – 10:45 Welcome – Bradley Winters, Lake County Commissioner and Carel DeWinkel, Oregon Department of Energy (ODOE)

10:45 – 11:30 Small Wind Farm development: typical project steps, public and private partnerships, Paul Woodin, Western Wind Power

11:30 – 12:00 Loans, tax credits, project ownership and financing, Jeff Keto, ODOE

12:00 – 12:30 Community (Cluster) Wind and other renewable projects, Peter West and Alan Cowan, The Energy Trust of Oregon

12:30 – 01:20 *Working lunch*, with an update on the PURPA rules

01:20 – 01:40 Equity capital issues, Ted Bernhard, Stoel Rives

01:40 – 02:00 Farm Bill's grants and loan guarantees, Don Hollis, USDA

02:00 – 02:20 Biomass/Forestry projects, Jim Walls, Lake County Resources Initiative

02:20 – 02:40 Geothermal projects, Andrew Stuedli, South Central Oregon Economic Development District

02:40 – 02:55 Discussion, pulling it all together: Paul Woodin and Carel DeWinkel

02:55 – 03:00 Concluding remarks and next steps

03:00 – 04:00 ***Optional tour*** of the geothermal heating system in the Klamath County courthouse, Brian Brown, Brian Brown Engineering, designer of the heating system

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<sup>1</sup> As part of its *Wind Powering America* program, the U.S. Department of Energy (USDOE) is funding the formation of an Oregon Wind Working Group (OWWG) and its activities over a four-year period, beginning June 1, 2002. The Department of Energy is the lead organization. The group includes representatives of utilities, government agencies, environmental groups, farming and rural interests, and developers.