



SOUTHWEST INITIATIVE
FOUNDATION
A Rural Minnesota Community Foundation

US & Minnesota Wind Industry Update

CERTs 2011 Conference
St. Cloud, MN

Southwest Initiative Foundation

A regional community foundation serving
18 counties in southwest Minnesota



- Endowments totaling over \$178 million and loans funds of \$59.6 million.
- 21,200 grants totaling \$132 million
- More than 3,700 business loans resulting in nearly 40,000 jobs created or retained.





A new online directory of businesses and organizations that can help you plan, implement, and manage clean energy projects.

REDI Outcomes:

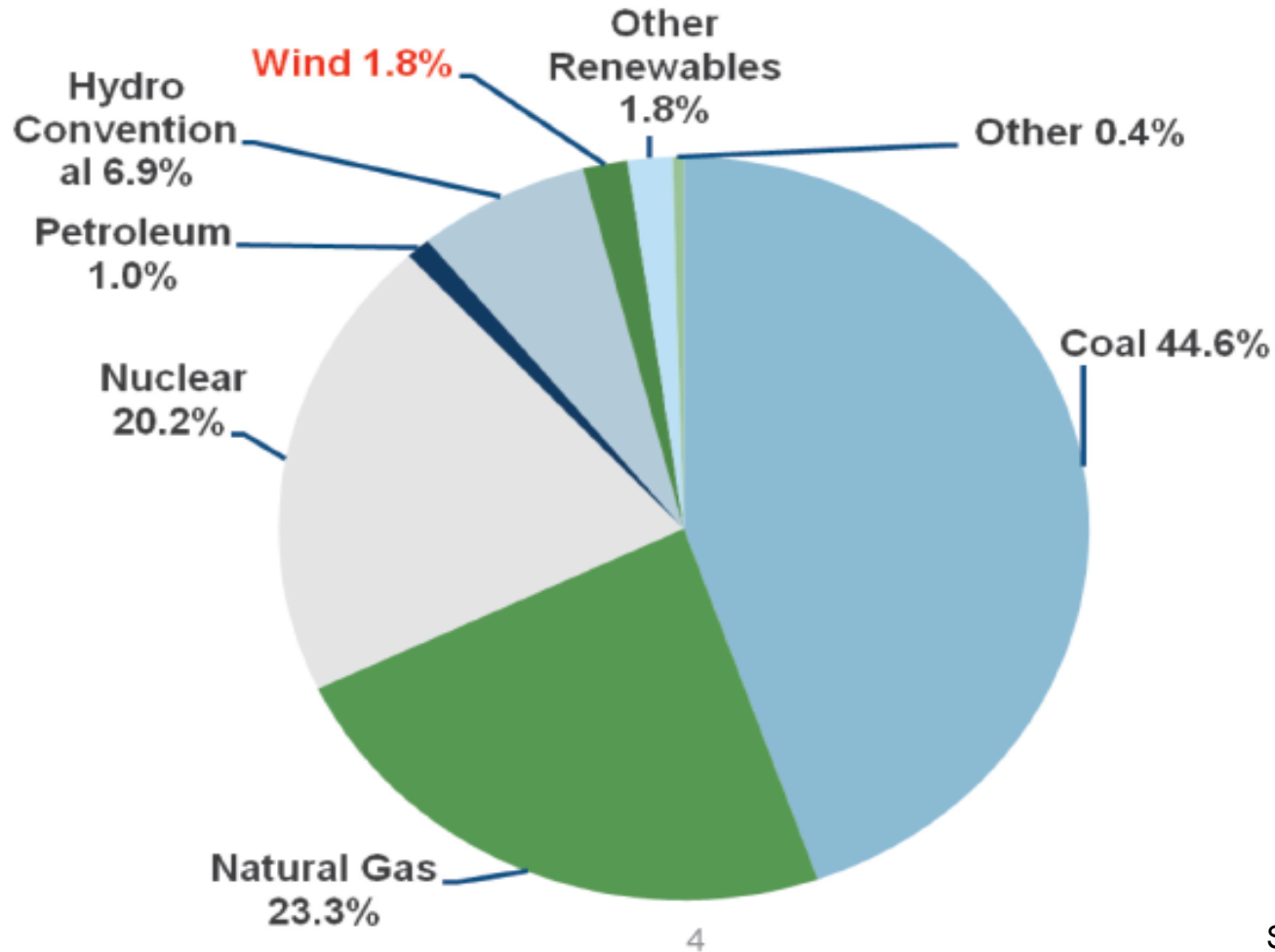
- Over 2,000 educated through 30 forums
- Project assistance for nearly 1,200 MW of comm wind
- REDI partners positioned with resources & connections
- REDI Resources

The screenshot shows the REDI Resources website interface. On the left, there are search filters: "New Search" with a "START OVER" button, "SHOW ALL RESULTS", "Keyword Search" with a text input and "Search" button, "Geographic search" with a "Within 50 miles of" input and "Search" button, and "Find companies by..." with dropdown menus for Services, Service Area, Legal Structure, Years in business, and Number of employees. The main area features a map of Minnesota with several blue location pins. Below the map, two company entries are visible: "AFI Industries, Inc." with services "Other" and location "Carol Stream", and "Bolton & Menk, Inc." with services "Engineering, Land Surveys..." and locations "Mankato, Fairmont, Ramsey". Each entry has an "ADD" button.

www.REDIresources.org

2009 US Wind Generation

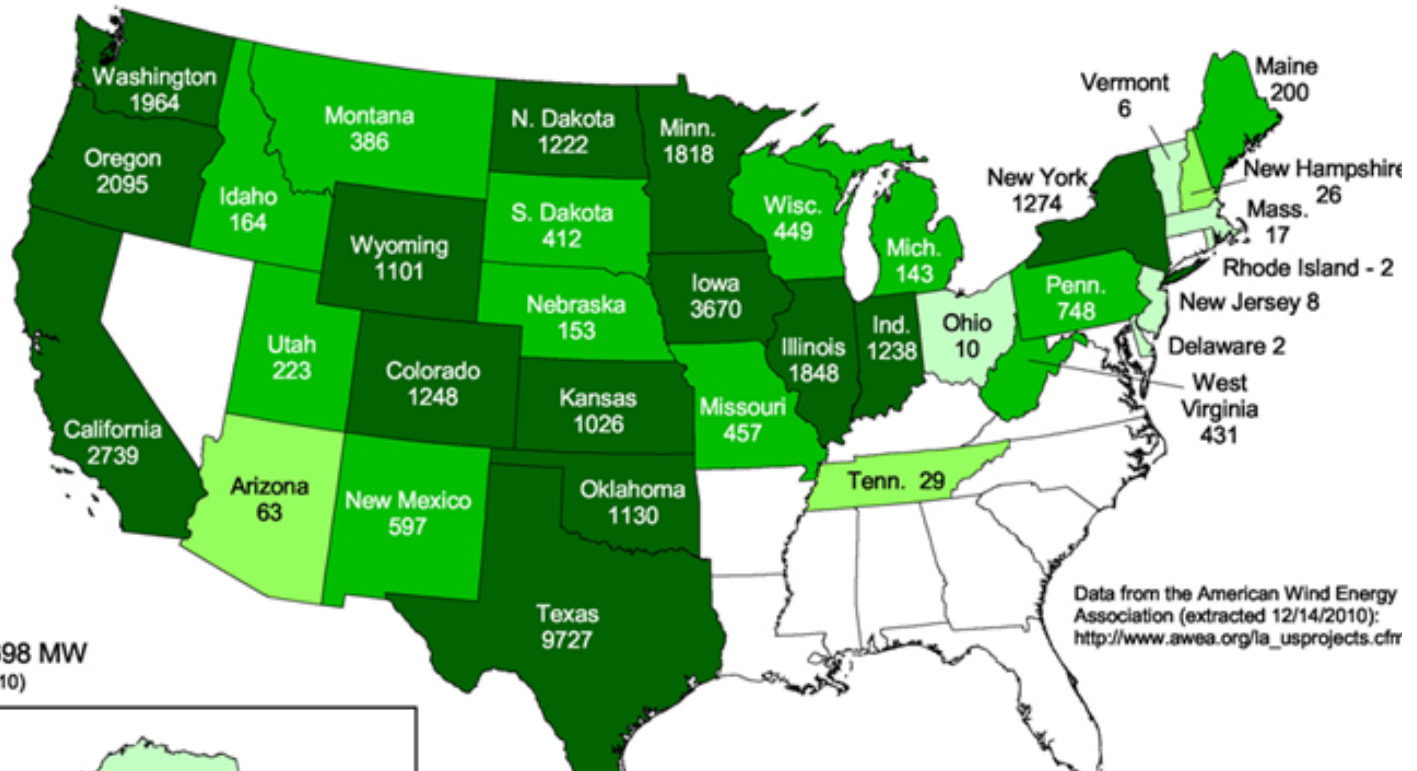
2009 electricity generation breakdown



Source: AWEA

Installed Capacity by State

Current Installed Wind Power Capacity (MW)

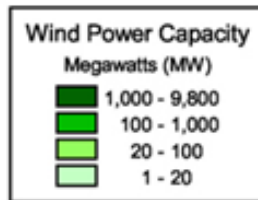


Data from the American Wind Energy Association (extracted 12/14/2010):
http://www.awea.org/ia_usprojects.cfm

Total: 36,698 MW
(As of 09/30/2010)



Minnesota: 1,818 MW US 36,698 MW



U.S. Department of Energy
National Renewable Energy Laboratory



Utility-scale Projects Under Construction as of Qtr 3, 2010

<i>Project Name</i>	<i>County</i>	<i>MW</i>	<i>#Turbines</i>	<i>Capacity Brand</i>		<i>Developer</i>	<i>Purchaser</i>
Bent Tree	Freeborn	201.3	122	1.65	Vestas	Alliant Energy	Alliant
Elm Creek II	Jackson/Martin	148.8	62	2.4	Mitsubishi	Iberdrola Renewables	n/a
Community Wind N	Lincoln	30	12	2.5	Clipper	Edison Mission Group	Xcel
Adams	Meeker	19.8	12	1.65	Alstom	Juhl Wind	Xcel
Danielson	Meeker	19.8	12	1.65	Alstom	Juhl Wind	Xcel
Valley View	Murray	10	5	2	n/a	Juhl Wind	Xcel
Nobles Wind	Nobles	201	134	1.5	GE Energy	enXco	Xcel
Ridgewind	Pipestone	25.3	11	2.3	Siemens	Project Resources	Xcel
West Stevens	Stevens	19.5	13	1.5	GE Energy	West Stevens Wind	n/a
Winona County	Winona	1.5	2	0.75	Unison	Juhl Wind	Xcel
Totals		677 MW	385 Turbines	Avg 1.79			

Source: AWEA

Current Project Challenges

- Lower natural gas rates
- Reduced energy demand
- Strained access to financing
- Transmission constraints
- Uncertainty of future tax credits/grants



FINANCING PROJECTS

The American Recovery and Reinvestment Act of 2009

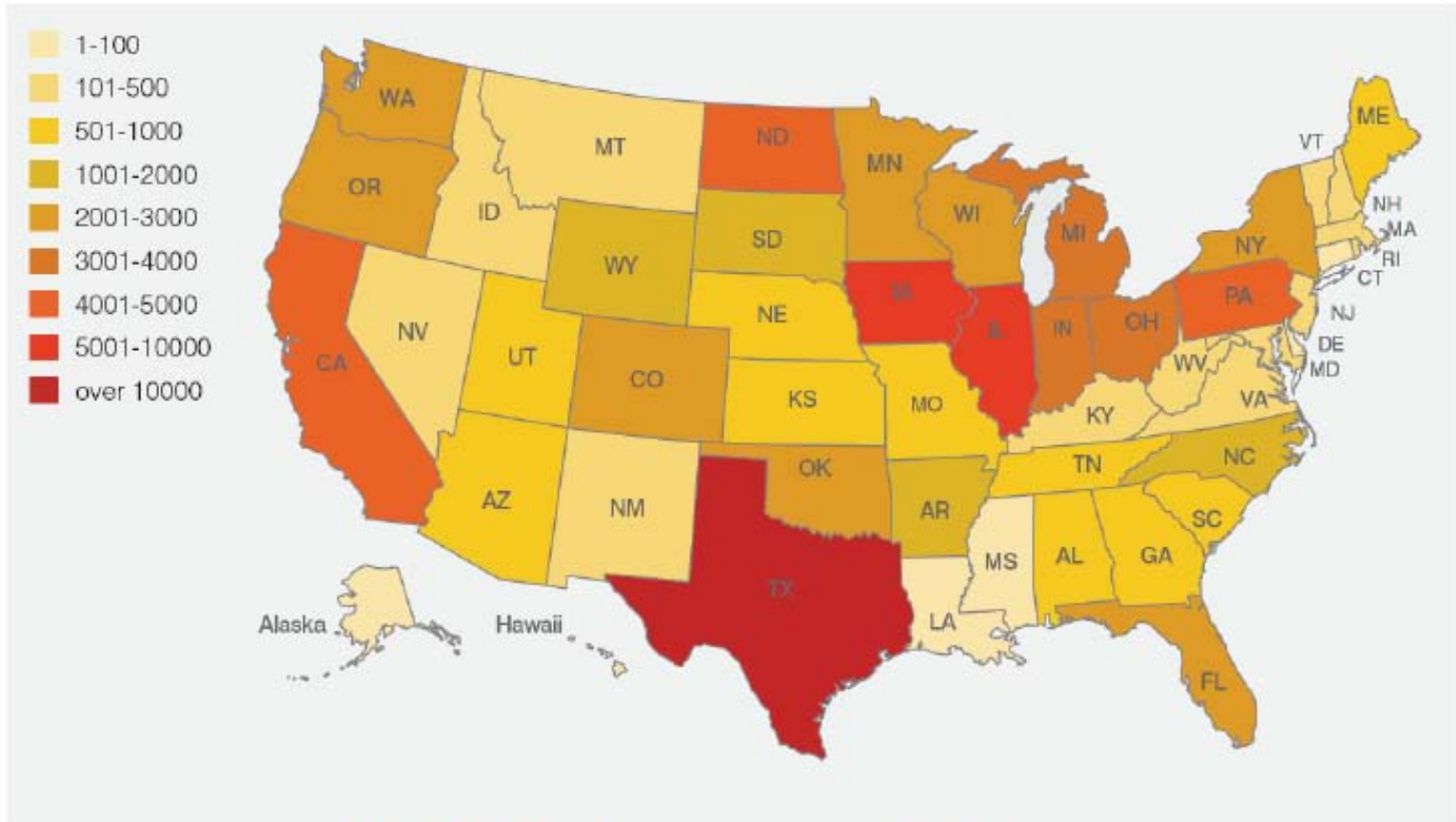
- Choice of ITC or Section 1603 cash grant instead of PTC
- Lease financing is permissible under ITC/grant (but not PTC)
- Eliminates ITC/grant haircut for subsidized energy financing

New Markets Tax Credits

- First allocation in 2001, but have only recently been used for solar, and now wind
- 2008 Farm Bill: Allows USDA to make loans for RE projects that sell power to either rural *or nonrural residents* (*nonrural previously restricted*)

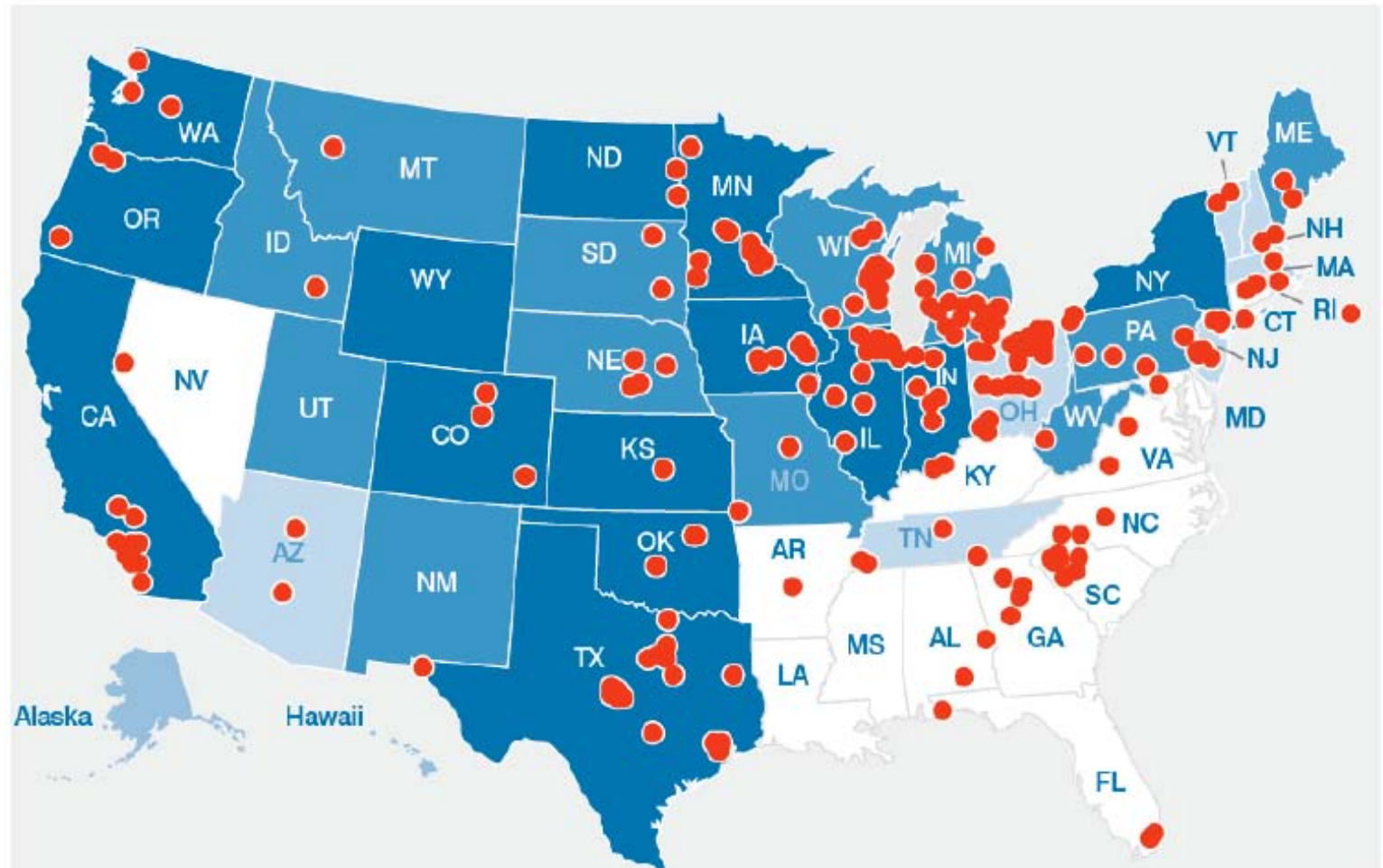


WIND JOBS IN US



85,000 jobs across all 50 states

MANUFACTURING



Manufacturing jobs increased from 2,500 in 2004 to 18,500 in 2009

TRANSMISSION

- Constrained transmission is factor in backlog of interconnection queue
- Primary cause of curtailment
- Challenges over who pays for upgrades
- New transmission proposed
 - CapX2020, ITC Green Power



SMALL-SCALE WIND

(100 KW AND LESS)

- Grew 15% in 2009; nearly 10,000 new units
- 95% of all small wind systems sold in the U.S. and 2/3 of all sold in world were made by U.S. manufacturers (2009)
- Projections of over 1,000 MWs of installed small wind capacity in the U.S. by 2015
- 30% tax credit available through 2016
- Cash Grant up to 30% through 2011

PRESIDENT OBAMA – CLEAN ENERGY STANDARD

- 80 percent clean electricity by 2035
- Broad range of clean energy sources
 - renewable and nuclear power
 - partial credits for clean coal/efficient natural gas
- Protect consumers against rising energy bills
 - smart policies paired with energy efficiency programs that will lower consumers' energy bills
 - provisions to help manufacturers invest in technologies to improve efficiency and reduce energy costs
- Ensure that varying clean energy resources among regions are taken into account to achieve fairness among regions
- Encourage deployment of new and emerging clean energy technologies, such as coal with carbon capture and sequestration



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THANK YOU

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