

DRAFT Minutes of the Montana Renewable Energy Association
Quarterly Meeting, October 13, 2009

Helena -- NorthWestern Energy Helena Division Office, 1315 N. Main

NOTE: Comments of speakers do not necessarily represent the views of the Montana Renewable Energy Association.

Note: Bold text indicates action items that require follow-up.

Present: (34, 9 out of 9 board members, 5 required for a quorum)

Dave Ryan (NCAT, Butte), President and Board Member
Christopher Borton (Sage Mountain Center, Whitehall), Vice Pres. and Board Member
Chris Daum (Oasis Montana, Stevensville), Treasurer and Board Member
Patrick Judge (NW Energy Coalition, Helena), Secretary and Board Member
Conor Darby (Independent Power Systems, Bozeman), Board Member
Tom Bishop (Sunelco, Victor), Board Member
John "Rip" Hamilton (Solar Plexus, Missoula), Board Member
Jackson Isbell (Solar Montana, Helena), Board Member
Kathi Montgomery (MT DEQ, Helena), Board Member
Roxann Lincoln (MT DEQ, Helena)
Orion Thornton (Independent Power Systems, Bozeman)
Ken Hammonds (GreenLight Electric, Black Eagle)
John Jones (High Mark Media, East Helena)
Ben Reed (Winpower West, Billings)
Danie Williams (NorthWestern Energy, Butte)
Theresa Huyser (GreenLight Solutions, Gallatin Gateway)
Jason Schmidt (Phanes Solar, Helena)
Lee Tavenner (Solar Plexus, Missoula)
Jill Van Alstyne (Helena High School teacher, Helena)
Gary Eichhorn (Solar Wranglers, Belgrade)
Don Kirby (Kirby Electric, Bozeman)
Matt Elsaesser (SAVE Foundation, Helena)
Henry Dykema (Sundance Solar Systems, Red Lodge)
Stephen Alexander (Sundance Solar Systems, Red Lodge)
Bill Brooks (Brooks Engineering, Vacaville, CA)
Jeff Wongstrom (Thirsty Lake Solar, Eureka)
Dan Brandborg (Sustainable Building Systems, Missoula)
Ben Reed (Winpower West, Billings)
Logan Bryce (Pine Ridge Products, Belt)
Suzanne Bessette (attorney representing QF renewable projects, Helena)
Mike Foreman (OSHA, Billings?)
Ryan Alter (Alternative Energy? Sub-metering?)?
Adam Conrad (Bozeman Green Build)?
_____ (Bozeman Green Build)?

“State of the State” Technology Report: Logan Bryce reported that he is very concerned about wind installations that do not have proper guying, foundations, etc. Kathi Montgomery said she is currently statutorily limited in her ability to screen applications for these issues (for funding under the loan program). All she can do is educate the borrower. As an example, she tells customers to be wary of claims that equipment will eliminate their electric bills, especially if the salesperson has not asked to see the bill. She often uses a capacity factor of 25% (the group pointed out that something even more conservative, in the 10-17% range, might be even more appropriate for small wind). The group thought that a rule requiring “turbines and associated equipment to meet the manufacturer’s specifications for installation (including electrical, mechanical, etc.)” would be a good thing. Logan said that the requirements for small wind should mirror those of solar, but that at present, “it’s the wild west” out there. Dave Ryan and Kathi Montgomery expressed their desire to see statistics, rather than having to rely on anecdote. Logan suggested the “wrench list” at: www.homepower.com

Call to Order: The official meeting was called to order by President Ryan at 3:28 pm.

Approval of Minutes: Kathi Montgomery moved approval of the Minutes from the July 2009 meeting, Chris Daum seconded the motion, and it passed unanimously.

Treasurer’s Report: Chris Daum reported that MREA’s balance is \$10,091.55. The organization has 64 members who have paid their 2009 dues. Patrick Judge noted that the organization had reached its goal of \$10,000, and that it was now time to consider hiring a staff person (as previously discussed). **The group entertained several ideas for advancing this plan, including the development of a job description for an Executive Director. Dave Ryan volunteered to coordinate this process, with assistance from Matt Elsaesser, Pat Judge, Ben Reed, and others (Ben had offered to help with the preparation of a strategic plan).** The ED will be expected to conduct a fundraising campaign to put the organization on a more solid footing (and to help pay for his or her salary), and will professionally represent the organization in various venues, including the legislature. Matt Elsaesser recommended that a hiring committee be formed, and that a probationary period be included. (Following the meeting, he also quickly turned around a draft job description.) Patrick Judge also reported that MREA has 21 members who have yet to pay their 2009 dues, and who are in jeopardy of lapsing. **Chris Daum and Patrick Judge promised to follow-up with these members, before the end of the year.**

Safety Committee Report: Conor Darby and John Jones reported that there had been a recent safety training in Bozeman that focused on Fall Protection, etc. and that served as a bridge class for new installers (the next such class will be in the Spring, and will include some new OSHA standards). Jones also reiterated that there will be two CPR classes coming up, one in Missoula and one in Bozeman. It was noted that Ravalli and Flathead co-ops had adopted installer standards similar to NorthWestern’s. **Dave Ryan promised to track down the list of all such co-ops and send it out.**

Reflections on the Bill Brooks Seminar: The consensus of the group was that the seminar was very valuable, and “a good start” – but that it could have been two full days, or even longer (because of the large amount of information that could be covered). Turn-out was very high, and

in general it was a successful event. The group encouraged NorthWestern to sponsor additional programs like this. As more and more installers become NABCEP certified, they will need continuing education credits. It's much more efficient and cost-effective to bring someone like Bill into Montana, rather than having dozens of Montana installers traveling to California (which implies a higher carbon footprint too!). **Rip Hamilton agreed to draft a thank-you letter on behalf of MREA.**

Update on Procedure for Requesting Additions / Changes to Dealers List: There are now several lists of Montana renewable energy installers on the web:

1) MREA Directory of Members:

<http://www.montanagreenpower.com/mrea/Directory.html>

2) Montana Green Power List of Renewable Energy Businesses:

<http://www.montanagreenpower.com/dealers.php>

3) NorthWestern Energy's "Qualified Dealers" List:

http://www.montanagreenpower.com/NWE_qualified_dealers.php

4) NABCEP Certified Installers List:

<http://www.nabcep.org/installer-locator?state=MT>

Kathi Montgomery noted that updates to the second list can (and should) be performed through the web. Just click on "Contacts" or use this link:

<http://www.montanagreenpower.com/contacts.php>

Renewable Energy businesses can look at other entries to get ideas for how to describe their businesses.

Expanded Loan Program and DOE Requirements: Kathi Montgomery reported on the impressive recent growth in the Alternative Energy Revolving Loan program that she administers at DEQ. In its first year, four \$10,000 loans went out. Last year, \$850,000 went out, and in the first quarter of this year, over \$600,000 was loaned. Roxann Lincoln has been hired to help handle the increasing workload. The loan program is funded by fines on industry for air quality violations. Loans of up to \$40,000 can be taken out under this program (and must be paid back within 10 years). There will also be some stimulus money coming into the program – about \$1.2 million that can be used for larger loans of up to \$100,000. Note that these two pots of money cannot be mixed in a single project. The latter is subject to NEPA and other federal requirements, but DEQ is applying for a categorical exclusion for certain kinds of projects (such as roof-mounted solar systems, small wind, and small hydro projects in existing pipes, for example), to avoid extra costs and delays that can come with NEPA review. Kathi also mentioned the Davis Bacon wage requirements for federal jobs (which many in the group were already familiar with), and also covered the "Buy American" stipulation. To the extent that this might be an issue for installers, she urged the group to help her start putting together the paperwork to certify equipment (especially wind turbines). Conor Darby felt confident that all of the solar equipment and inverters should be ok ("assembled" in U.S. is acceptable – also, Mexican equipment is included under NAFTA). Kathi noted that the intent of the stipulation is to incent American made when possible – but if there are no American alternatives, DOE can be petitioned for an exemption. (Following the meeting, Kathi received clarification that the Davis Bacon and American-made provisions should not be issues for loans.)

State Energy Sector Partnership Grants: The Montana Department of Labor and Industry has applied to the federal government for funding under this program. Kathi attended the meeting, and pitched that MREA should be involved (one possible idea would be for assistance in getting a statewide apprenticeship / certification program started). They will be forming local committees that will decide on training needs and priorities in their geographic regions. MREA members should contact those committees with their ideas, and Kathi will provide contacts to MREA when the regional contacts are available. Henry Dykema has been appointed to the Governor's State Workforce Investment Board (SWIB), which will be overseeing that work: <http://swib.mt.gov/>

Christopher Borton asked that Henry keep MREA well informed.

Objections to NWE's New Installer Qualification Standards: There have been some reports of disgruntled installers who don't think the new standards are fair. Logan Bryce said that while additional regulations can be irksome, they definitely are needed. He also sympathizes with the utility's desire to protect itself from liability associated with poorly installed systems. Around the country, there have been cases where utilities have been sued even though they had no involvement in the actual install (other than the meter). Thus far, these cases have not been successful (in part because most of the systems weren't permitted – **Logan promised to send around some links to these news reports**). Also, NorthWestern's Interconnection Agreement does contain thorough requirements for UL-listed equipment, inspections, permits, etc. (But Logan mentioned that, in general, there needs to be more caution with wind than with solar – there IS no specific wind-turbine UL listing – Skystream makes their claim based on “rotating mechanical equipment” or some such.)

Matt Elsaesser said that he thinks MREA itself needs to be clear about what's involved with a safe install (in ANY service territory). Conor Darby said you can demonstrate the quality control. Logan Bryce recommended that utilities circle back to inspect the systems (or hire contractors to do that). This would serve a dual purpose of enhancing safety, and also monitoring how various technologies perform over time. (This activity could be paid for by USB funds possibly, similar to what happened with the school solar inverters.) While acknowledging Christopher Borton's point that MREA isn't in a position to actually police the systems, Ben Reed said that it behooves MREA to do everything it can to protect the industry from fly-by-night or other shoddy operations. Apparently, some wind systems have been installed in Montana that never proved functional, with little-to-no recourse for the customers. This type of thing gives the industry a serious black eye, and MREA needs to be active in setting standards. Tom Bishop agreed, observing that there are so many more players now (with more opportunity for trouble). Ben Reed and others expressed their view that NWE clearly did need some standards. The group also felt that the standards could be improved, and Dani Williams invited any such feedback. Something had to be put in place as a starting place, but those standards can certainly be revised in the future (just as the current policy reflected some input from MREA). **The group seemed very interested in new language specifying that installs shouldn't count toward the minimum number, unless they are demonstrated to be in compliance with manufacturer specifications.**

Overview of the Small Wind Industry & Products:

Logan Bryce introduced himself as being involved in small wind for the last 12 years. He has installed 14 Bergey 10 kW machines, and has worked both on- and off-grid. He is very active on

small-wind issues at the national level, and runs a wind turbine testing site. (He is also a designer / manufacturer of small wind turbines -- the only in Montana). Incidentally, small wind is defined as being 100 kW and less, but there is a huge demand at the 20-50 kW level, because a lot of states (including Montana) have a 50 kW net-metering limit. He reported that in 2009, the industry grew immensely – mostly due to the influx of funds. (Notable, is the very attractive “30% with no cap” federal tax credit.) The small wind conference he attends each year has grown from ~15 people (almost all manufacturers) to ~350 people (including lawmakers even): www.smallwindconference.com

The growth is good, but it also has a downside, with too little regulation. To remedy these issues, NREL has been developing small wind certification standards that will mirror the IEC. While those will certainly add some expense for the manufacturers, it will be a good thing for the industry in the end. Logan is also involved with NABCEP’s efforts to develop a small-wind certification program. He said that 2010 will be a “banner year”, with tons of new products (including some high-quality products) and new certification standards. The AWEA standards will come out in 2010, and they will have provisions requiring certified gear (AWEA will address the equipment, while NABCEP & NWE will address the installers). Without these, consumers don’t know how to fairly evaluate equipment. With no other basis to go on, they tend to gravitate toward the cheaper stuff.

Logan then presented his impressions of several different turbines. In other news, NABCEP is developing its new test and study guide. They’re looking for input on questions, and may offer a trip to Florida for people to help out with this (but anyone who submits questions is barred from taking the test for 2 years).

Also, NREL is issuing a RFQ for testing centers – he thinks it would be a great opportunity for Montana, and a shoe-in for MSU-Bozeman or MSU-Northern, for example. There’s a lot of money available, and he will be applying for it as well. (Following the meeting, he circulated this link: http://www.nrel.gov/business_opportunities/solicitations_rfps.html)

Finally, Logan reported that his turbine is coming along nicely. A 200-Watt battery charger is available, and he is working on some contracts with the Army.

“Round Robin” Updates, Calendar Items, and Announcements:

Danie Williams announced that NorthWestern will be issuing about \$400,000 in Fall USB renewable energy funds, but that the sub-committee has yet to meet. She said that installers who had previously been awarded grants for residential rebates would automatically be considered (they need not re-apply). John Jones and Mike Foreman confirmed that MREA was on top of its twice-per-year safety reports (the next one will be submitted this December). John Jones handles those for the association.

Jason Schmidt reported that he had attended the “We Can Lead on Clean Energy” trip to Washington DC (www.wecanlead.org), along with Barton Churchill of Independent Power Systems and a half-dozen other Montana small businesses. In total, there were 133 businesses that took part, ranging in size from Nike down to a one-person Glacier National Park raft guide business. They met with U.S. Senators (including Jon Tester, and staffers for Max Baucus) and Cabinet members to advocate the importance of clean jobs – 6,000 to 12,000 of which could potentially be created in Montana alone. The Senators stressed the importance of communicating to their offices with letters of support for clean jobs in Montana (how many green jobs your business currently contributes, for example, and how many more could be created). The event will take place annually. He said he was also able to see the

www.solardecathlon.org exhibits.

People asked where they can find postings for federal stimulus-related jobs (RFQs). Logan and others recommended checking in regularly at the following website, and searching for “wind” or “solar”: www.fedbizopps.gov

Apparently some Montana installers have already been awarded some good jobs from this list. Christopher Borton noted that there had been an extremely damaging hail storm in Butte recently, but that the solar PV grid-tied systems suffered no damage. Dave Ryan mentioned that some Sunwise (the acrylic plastic solar thermal) panels had been damaged.

Ben Reed reported that Montana Green Directory is willing to exchange memberships with MREA, and Dave Ryan said that indeed they had moved forward with that – MREA is now listed. **Patrick Judge and Chris Daum should perhaps add them to the MREA membership rolls?**

Patrick Judge reminded the group that MREA board and officer elections will be coming up soon. (He notes that the board and officers tend to be somewhat self-perpetuating, so if people are interested in running, they would be wise to launch a “campaign” of sorts, to get their name out there.)

Next Meeting: The next regularly scheduled quarterly meeting of MREA will take place on January 13th, 2010. The Board will determine the exact time and place, and announce it to the “mrea” list.

Adjournment: Dave Ryan adjourned the meeting at 6:17 pm.

Addenda:

These DRAFT Minutes were prepared by Patrick Judge, Secretary.