

IWEA NEWSLETTER

IOWA WIND ENERGY ASSOCIATION

The President's Corner

The growth and development of the Iowa Wind Energy Association continues unabated. This will be our third quarterly member's newsletter and much has happened in the last three months. As we get closer to the completion of our first year of existence the IWEA membership stands at 72 members. Our revenues received total \$22,525 and thus far we have been able to meet our operational expense commitments and still maintain a significant balance of \$14,494.16.



Just recently, all members should have received an email or regular mail contact regarding the development of our legislative platform for the upcoming session of the Iowa General Assembly. We have made a decision to retain our lobbyist, Jim Obradovich and know that we have an extremely effective presence with Jim's lobbying efforts at the capitol in Des Moines. With member input we will be able to present a much more pro-active legislative agenda that supports the continued growth of the wind industry in Iowa.

Furthermore, we have just this year been involved in major policy communications related to the wind industry in Iowa. The first such involvement had to do with the service lift issue that was identified in Iowa. IWEA representatives continue to work with state Department of Labor officials and officials of the Iowa Elevator Safety Board to increase the amount of industry input that state policy makers receive related to this set of issues. Members should see from the lobbying survey that was sent that there continues to be a deep and abiding interest in this set of issues.

IWEA was recently contacted by an Iowa manufacturer with interests in expanding their operations to support the wind industry in Iowa. We were able to make a connection for this industry with other wind industry firms to accommodate their request for information related to how their company might be able to benefit the industry and themselves.

Finally, the Annual Meeting Committee has preliminarily scheduled April 2 for the second



Annual Meeting and Conference to be held at Iowa Lakes Community College

The annual meeting and conference committee continues its efforts in planning for this spring's conference. The date is set for April 2, 2009 at the Estherville Campus of Iowa Lakes Community College.

The theme for this year is "Wind Energy in Iowa-Issues and Emerging Solutions". Committee members are currently in the process of identifying speakers and presenters for the conference. If you have any suggestions, please contact Jan Bowles, Val Newhouse or Jim McCalley.

annual IWEA Conference and Annual Meeting. Hopefully, in this December issue of the newsletter you will find a report from the Annual Meeting Committee with further details on preliminary plans for this major state conference focusing on the wind industry in Iowa. Once again, Iowa Lakes Community College is delighted to host the second annual conference at the Estherville Campus.

As we enter this holiday season, it is appropriate to reflect on all the blessings that we enjoy and the wind industry and its growth is certainly one of those blessings. With much of the country mired in a recession that seems to deepen each day, the wind industry is one of those absolute bright spots that is a contrary

example of a burgeoning industry in the midst of economic troubles. With the current focus on reducing our dependence on foreign oil and emphasizing more green renewable energy sources, wind and the state of Iowa are as well positioned as any industry and state to continue to grow at an extremely rapid pace and benefit our state economy and the economy of the nation.

Thanks so much for your membership in the Iowa Wind Energy Association. With your membership, support and hard work, all of us are working together to forge a brighter future for the wind industry in Iowa.

~Harold D. Prior, Ph.D.,
IWEA President

IWEA Legislative Committee Report

PRE-SESSION LEGISLATIVE REPORT

Earlier this year, the Board of Directors of Iowa Wind Energy Association established several working committees including the Legislative Committee to facilitate the work of the association. Members of the Legislative Committee are: Randy Van Dyke (Chairman), Harold Prior, Michelle Arenson, Bob Haug, Jim Martin-Schramm, and Larry James Jr.

As a reminder, from the September 2008 IWEA newsletter, any member of the association is eligible to serve on a committee that may interest them. If members have an interest in serving in such a capacity, please contact Angie DeJong at adejong@iowalakes.edu or Randy Van Dyke, the Legislative Committee Chairman at 712-262-8847.

During the past few months, the Legislative Committee has been meeting and working to finalize the public policy goals for the 2009 legislative session.

August Legislative Committee Meeting

► During the Legislative Committee meeting on August 26, 2008, the committee developed the Vision Statement, which are the guiding principles for the Legislative Committee to:

Promote Iowa Wind Energy Association and provide information and awareness about IWEA.

► Maintain a direct line of communication to the members and solicit input and feedback from the membership to be able to develop a solid legislative platform so there is not a misunderstanding or misinformation about who IWEA is.

► Strive for an attitude of open transparency and work as a committee to build consensus and seek unanimous consent on legislative issues and then bring recommendations to the Iowa Wind Energy Association Board of Directors.

► Maintain an open door policy for members to join the Legislative Committee.

What is most important to note according to IWEA Lobbyist, Jim Obradovich is that "IWEA's public policy goal is to speak with a common voice to seek legislation and statewide policies, which help the growth of the wind industry".

Member Interest Questionnaire

Also during the committee meeting in August and as part of the development of the 2009 Legislative Platform, it was agreed that the committee would reach out to the membership to solicit input and feedback to assist with the development of the platform.

Since that time, the 2009 Pre-Session Member Issue Interest Questionnaire was sent to the membership. With the questionnaire, the committee asked the membership to provide their opinions on the preliminary slate of issues that was brought to the committee and initially vetted by the group. While individual responses were tabulated and

quantified, the individual responses themselves will be kept confidential. The summary of the

questionnaire is shown in the pullout box below.

Continued on next page ►►

QUESTIONNAIRE SUMMARY RESULTS

Reestablish the wind energy research and development tax credit for second generation (beta version) equipment at a \$1 million dollar a year level.

Support	92%	Oppose	0%	Undecided	8%
---------	-----	--------	----	-----------	----

Allow private colleges, universities, community colleges, and public hospitals to access wind energy production tax credits offered under Iowa Code Chapter 476B for projects of 1MW or above for self consumption.

Support	100%	Oppose	0%	Undecided	0%
---------	------	--------	----	-----------	----

Appropriate an additional \$500,000 for small scale wind production tax credits offered under Iowa Code Section 476C. The current 476C tax credits are all allocated.

Support	75%	Oppose	0%	Undecided	25%
---------	-----	--------	----	-----------	-----

Increase funding to the state's rail revolving fund targeted to wind turbine, tower and manufacturer or distributor rail infrastructure needs.

Support	58%	Oppose	0%	Undecided	42%
---------	-----	--------	----	-----------	-----

Establishment of a renewable portfolio STANDARD for the state's utilities of 20% by 2025.

Support	75%	Oppose	0%	Undecided	25%
---------	-----	--------	----	-----------	-----

Establishment of renewable energy portfolio GOAL for the state's utilities of 20% by 2025.

Support	58%	Oppose	8%	Undecided	34%
---------	-----	--------	----	-----------	-----

Add an additional full time employee to the staff of the State Office of Energy Independence focusing on wind energy.

Support	75%	Oppose	8%	Undecided	17%
---------	-----	--------	----	-----------	-----

Support and encourage Iowa's active participation in the Upper Midwest Transmission Development Initiative recently approved by the Midwest Governors Association.

Support	83%	Oppose	0%	Undecided	17%
---------	-----	--------	----	-----------	-----

Create a wind turbine tower lift safety committee within the state's elevator safety board to develop rules and regulations for wind turbine tower lifts. The committee would be made up of five members: 1 wind power technology educator, 1 tower lift manufacturer, 2 tower manufacturers, and 1 wind farm operator.

Support	67%	Oppose	8%	Undecided	25%
---------	-----	--------	----	-----------	-----

Remove wind turbine tower lifts from the jurisdiction of the state elevator safety board.

Support	58%	Oppose	17%	Undecided	25%
---------	-----	--------	-----	-----------	-----

Keep jurisdiction for wind tower lifts within the State Division of Labor and create a separate fund for all wind turbine tower lift inspection and licensing fees to be deposited into, with those funds required to be used only for lift inspection and lift education.

Support	67%	Oppose	8%	Undecided	25%
---------	-----	--------	----	-----------	-----



2009 LEGISLATIVE PLATFORM

After soliciting input from the membership, the 2009 Legislative Platform has been developed and presented to the Board of Directors during the December 3, 2008 Board of Director meeting. A vision for public policy initiatives of Iowa Wind Energy Association include:

Power Production and Transmission

► Increase the amount of Renewable Energy Tax Credits (Iowa Code Chapter 476C) available for small scale wind production by fifty percent, from the current cap of 180 MW to 270 MW.

► The 476C tax credit program provides an incentive for community-owned wind farms in Iowa. The program currently has a 180 MW cap on eligible "nameplate" capacity but it has 353.15 MW in active applications. There are 173.15 MW of applications that are pending approval. Increasing the cap by 90 MW will enable more than half of the pending projects to be reviewed for eligibility by the Iowa Utilities Board.

► Extend the eligibility for 476C projects that are not operational due to unavailability of necessary equipment from twelve months to twenty-four months.

► The current credit crisis has made it very difficult for community wind projects to secure financing in order to acquire turbines. High global demand for wind turbines has made it difficult to acquire turbines as well. The extension of eligibility will provide more time for eligible community wind projects to finance and acquire the turbines they need to become operational.

► Support and encourage Iowa's active participation in the Upper Midwest Transmission Development Initiative recently approved by the Midwest Governor's Association.

► Reduce the minimum nameplate capacity for facilities utilizing the 476B Wind Energy Production Tax Credit from 2 MW to 750 KW.

► Last year the legislature revised the 476B tax credit program so that tax credits can be issued either for power sold to the grid or for power consumed on site. Reducing the minimum nameplate capacity requirement will enable facilities to install smaller and/or fewer turbines that will produce electricity to be consumed on site. This change will help public universities, community colleges, public hospitals, and private colleges that want to install wind turbines to generate a portion of their electrical demand. Per the terms of the 476B tax credit program, these not-for-profit institutions would transfer the tax credits to an entity with an Iowa tax obligation and use the proceeds to help finance the wind turbine project.

Technology Development

► Reestablish the wind energy research and development tax credit for second generation (beta version) equipment at a \$1 million a year level.

Market Development, etc.

► Increase funding for the state rail revolving loan fund, targeting the additional funds for wind turbine, wind tower and component manufacturer rail infrastructure needs.

Safety and Technology

► Create a wind tower lift safety committee within the State Elevator Board to develop rules and regulations for wind turbine tower lifts. The committee should be made up of five members including one wind power technology educator, one wind tower lift manufacturer, two wind tower manufacturers, and one wind farm operator.

~Contributed by IWEA Legislative Committee

IWEA Membership Committee targets new ways to get the word out about wind

The membership committee has been discussing ways to "get the word out" within the wind energy community in Iowa and the surrounding states regarding the formation of the IWEA organization. The committee believes that IWEA has something to offer a wide range of individuals and organizations.

Targeted areas to procure future members include: wind turbine manufacturers, wind turbine component suppliers, manufacturing and repair subcontractors, university/college programs supporting the industry, project development/management firms, the investment community, maintenance and operations groups, commissioning organizations, energy suppliers, power distribution companies, rural RECs, construction firms, transportation organizations including railroad operators, city/county/state/federal representatives, political and lobbying groups, and economic development organizations to name a few.

Our committee would certainly like your feedback if there are other groups you think we should be targeting for a membership drive.

We have also had discussions with individuals from the Iowa Department of Economic Development. Joe Jongewaard, Project Manager with the IDED, stated that the formation of IWEA can certainly be a selling point to those prospective wind turbine companies looking to relocate within the state.

Joe suggested that IWEA create an informational pamphlet for the purposes of demonstrating the leadership and support within the state for wind development and manufacturing. Though the IWEA web site is operational it was suggested that an IWEA pamphlet be included along with the other formal state information normally presented to a prospect.

One last suggestion which will be taking shape by the end of the year is a standard approved form letter which any current IWEA member could utilize to contact their sphere of influence.

The letter's intention is to briefly describe the benefits of the IWEA organization and to encourage others to become active members. In the case of our company, we would like to utilize this format to send copies to our Midwest supply base.

We are open to suggestions so please feel free to contact any of the committee members with your ideas and input.

~Contributed by Robert Lloyd,
Plant Manager, Clipper Turbine Works

Update from the IWEA Safety Committee

Greetings to all of you at this very busy time of year, I wish all of you a Happy Holiday Season and New Year. The Safety Committee is currently two persons strong with Al Zeitz and Me being the two members. We are looking for others to join and help keep the Safety part of all the equations always in the forefront.

This last year the elevator issue was brought to

IWEA's attention and with the help of AWEA (John Dunlop and Scott Rudolph) actions were taken to educate Iowa's Elevator Board. This and other situations like this are the issues that face our growing industry. It is my goal for this committee to weigh in and help guide the state of Iowa and others as they learn about the Wind business. There is not a schedule for quarterly

meetings at this time. I plan to have a schedule out by the first of the New Year.

If you have a safety concern or issue that you would like addressed or at least looked at -please feel free to contact us.

Stay Safe.

~Contributed by Michael Kelley, Corporate EHS Manager, UpWind Solutions, Inc.

IWEA Marketing Committee Report

The early focus of the marketing committee was to determine the main areas for initial marketing efforts. Recruitment of new members and community outreach and awareness about the wind industry in Iowa were selected as the two first areas of effort.

The marketing committee has developed draft marketing publications such as posters and fliers to clarify the services available by virtue of membership in the Iowa Wind Energy Association. The next set of challenges is to determine the intended audiences and the best way to make contact with them.

The committee initially identified potential members from the following target groups. These groups included: wind farm developers, large wind energy OEMs, land owners, communities, educational organizations and a variety of companies supplying wind turbine components and services. Other organizational entities with a stake in the wind industry would include groups such as; Farm Bureau, Professional Developers of Iowa, League of Cities and the Iowa Sierra Club.

From the aspect of advocacy, the committee hopes to see the development of a standard PowerPoint presentation and handout materials. These materials could be used by IWEA Board Members and others who are speaking to various groups about wind energy in Iowa. The materials could also be used at events such as the Iowa Wind Energy Conference and other events in Iowa or nationally. The materials would help explain the return on investment of the wind industry in Iowa and good reasons for joining IWEA.

~Data provided by Mark Nolte and Regi Goodale

Contact Information:

Iowa Wind Energy Association Contact: Angela DeJong
19 S. 7th St. E-Mail: adejong@iowalakes.edu
Estherville, IA 51334 Phone: (712) 362-7931

www.IowaWindEnergy.org

IWEA Membership List:

AB Transport Inc, Shawn Leonard
Acciona, Adrian LaTrace
Algona Municipal Utilities, John Blisten
Alliant Energy, Michelle Arenson
Altezza Contracting, Hugh Biggle
Anemometry Specialists, Rob Hach
Avanti Wind Systems, Matthew Belasco
Baker Group, David Jorgenson
Buchanan, Bibler, Buchanan & Gabor,
Attorneys at Law, Scott Buchanan
Buena Vista University, Keith Schmidt
Clipper Windpower, Bob Loyd
Council Bluffs Chamber of Commerce,
Terry Bailey
Crosswind Energy LLC, Phil Sundblad
Crystal II Windshare, Timothy Palmer
Dacia Burckhardt Law Office,
Dacia Burckhardt
Davis Brown Law Firm, John Pietila
Des Moines Area Community College,
Robert Denson
Dickinson, Mackaman ,Tyler & Hagen,
Paul Horvath
Dickinson, Mackaman ,Tyler & Hagen,
Larry James
Eastern Iowa Community College ATEEC,
Ellen Kabat Lensch
EcoEnergy, Paul Roeder
Estherville Industrial Development Corp.,
Al Blum
Estherville Industrial Development Corp.,
Lyle Hevern
Farm Boy Energy
Freedom Fertilizer, Steve Gruhn
GES USA Inc, Toria Morin
Gro Wind 1 Inc., Kenny Hach
Hawkeye Community College, Paul Osborn
Horizon Wind Energy, Bob Keller
Individual, Carol Berry
Individual, Thomas Gearing
Individual, Gregg Heide
Individual, Rick Lovenduski
Individual, Paul Rekow
Individual, Emma Wahl
Individual, Roger Wahl
Iowa Association of Electric Cooperative,
Brian Kading
Iowa City Area Development Group,
Mark Nolte
Iowa Department of Economic Development,
Joe Jongewaard
Iowa Energy Center, ISU, Bill Haman
Iowa Lakes Community College, Harold Prior
Iowa Lakes Electric Cooperative, Rick Olesen
Iowa Lakes Regional Water, Randy Van Dyke
Iowa State University of Science & Technology,
Jim McCalley
Iowa Western, Dan Kinney
ITC Midwest, Mike Dabney
K.G. Telecom Services Inc., Kenny Grissom
Klein Agency LTD, George Klein
Luther College Wind Energy Project,
Jim Martin-Schramm
Mechanical Solutions LLC, Chris Johnson
Midwest Wind Resources, Rich Crawford
National Wind, Erin Edholm
Northeast Iowa Community College,
Penelope Wills
North Iowa Area Community College,
Michael Morrison
Northwest Iowa Community College,
William Giddings
Outland Renewable Energy LLC, Steve Scott
Shermco Industries, Chris Perry, Jeff Duncan
Snyder & Associates Inc., Michael Geier
Southeastern Community College, Verlyn Fick
Stanley Consultants, Joe Rubino
State Representative, Marcie Frevert
State Senator, Rob Hogg
Stone Mountain Access Systems, Scott Billish
Timberline Manufacturing Co., Greg Lehner
TPI Iowa LLC, Crugar Tuttle
Triple R America, David Murray
United Equipment Accessories Inc.,
Jesse Shearer
Upwind Solutions Inc., Bo Thisted
University of Iowa - College of Engineering,
Barry Butler
Van Meter Industrial, Dave Klostermann
Wasker, Dorr, Wimmer & Marchouiller,
Fred Dorr
Western Iowa Tech Community College,
Robert Dunker, Terry Murrell
Wind Energy Consulting & Contracting,
Mike Steinke
Wind Utility Consulting PC, Thomas Wind
WindLogics Inc., Larry Sinesio
Windmen, Tom Ellenbecker